Daily Report

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Lilov Addresses BCP 'All-City Meeting'

AU0103195690 Sofia Domestic Service in Bulgarian 1830 GMT 1 Mar 90

[Text] An all-city meeting was held this evening in the Vasil Levski Stadium in Sofia. The meeting was called by the Presidium of the Supreme Council and the Sofia municipal councils of the Bulgarian Communist Party [BCP].

With many banners and traditional Bulgarian symbols of spring in their hands, and showing concern for a peaceful future ruled by reason, over 70,000 BCP members and people who shared their views filled the national stadium to full capacity. Slogans were raised calling for the country's deliverance from the crisis, for a high standard of political behavior, dialogue, and action, and for people's power, democracy, and socialism.

The meeting was opened and chaired by Todor Modev, chairman of the Poduyane Municipal BCP Council in Sofia.

In his speech, Aleksandur Lilov, chairman of the Supreme Party Council, stressed that the only reasonable way in the complex political situation now is for political sense to gain the ascendancy. The time is such that people must speak honestly and openly to one another, without sowing seeds of dissension. One must take the peaceful road to democracy. It was emphasized that it is now particularly important which political party points the way out of the crisis, finding the way toward democracy. The BCP, said Aleksandur Lilov, appeals for a peaceful development of the democratic processes. The anticommunist hysteria is now a dangerous and harmful phenomenon for a respectable political language and political ethics, because no democracy can exist without high standards of political conduct. [passage indistinct]

Warns of 'Destabilization'

AU0103205790 Sofia BTA in English 2021 GMT 1 Mar 90

["BCP Calls for Peaceful Transition to Democracy"—BTA headline]

[Text] Sofia, March 1 (BTA)—Today the Bulgarian Communist Party [BCP] called upon all political forces to sign an official agreement on the peaceful transition to democracy to avoid any danger of confrontation and violence.

At a meeting in the Vasil Levski Stadium in Sofia, speaking to more than 60,000 people, the chairman of the BCP Supreme Council Aleksandur Lilov appealed for dialogue with all public and political forces, the opposition included. At the same time he underlined that the ruling party will not allow any defamation of the BCP and socialism. "We will fight against it with all the strength of our persuasions," he stated.

The meeting was convened by the BCP Supreme Council and passed under slogans of placing the national interests before any narrow party interests. Concern was expressed about the "danger impending over Bulgaria."

Mr. Lilov said that now who and how many people they can gather in the squares is not important, because it will be not difficult either for the BCP or the opposition Union of Democratic Forces (UDF). "Now it is important to assume political responsibility and that is why the BCP makes an appeal for civil peace and stability."

Mr. Lilov pointed out that now Bulgaria should choose her path to radical democratization of society.

The most important thing is which path we will choose—that of Romania or of Hungary, of bloodshed and pogroms or reforms, the chairman of the BCP Supreme Council said.

The Communist Party declares itself to be against any incitement to violence, against fanning up hatred, against embittering the political life and against the attempts at mounting social tensions, he underlined.

From the tribune of the meeting Mr. Lilov warned that "the democratic process in Bulgaria is not strong enough yet and the trends of destabilization can grow into an uncontrollable situation with dramatic consequences." At the same time he pointed out that the BCP does not want to pass over in silence its responsibility for the mistakes and abuses committed at the time of the totalitarian regime. Legal proceedings will be initiated against all people who have committed a crime or abused their power and they will be brought to trial, he said.

The chairman of the BCP Supreme Council added that the Communists cannot accept their party's being totally defamed nor can they accept the total negation of everything that has been achieved in present-day Bulgaria.

He defined the anti-Communist fits of hysterics harmful and dangerous for Bulgaria and underlined that there have been not only mistakes and abuses in the last 40 years.

Not the total negation, but the sweeping economic reform of what has been achieved up to now is the true path of our development, the communist leader said.

Mr. Lilov added that the BCP is in a process of a radical change, but that for the time being this process of renewal is difficult and slow. He called upon the Communists to put an end to inertness. "No more excuses and keeping on the safe side, what we need now is action", he stated, addressing the members of the BCP, who are almost one million.

Mr. Lilov underlined that now there is no other force in Bulgaria that can take her out of the crisis in the conditions of political pluralism. "We are not easy to frighten," he said.

General Dobri Dzhurov, minister of national defence, also took the floor at the meeting.

There were no slogans for confrontation with the opposition at the meeting, but the Union of Democratic Forces was accused of demagogy and of being willing to restore capitalism in the country.

Mr. Petur Mladenov, president of the State Council, and other members of the Presidium of the BCP Supreme Council attended the meeting.

Several Thousand UDF Members Rally in Sofia

AU0103221790 Paris AFP in English 2101 GMT 1 Mar 90

[Excerpts] Sofia, March 1 (AFP)—An estimated 100,000 people turned out for a rally Thursday in support of the ruling Bulgarian Communist Party attended by head of state Petur Mladenov and Communist Party President Alexander Lilov.

Meanwhile several thousand supporters of the opposition Union of Democratic Forces (UDF) gathered on September 9 Square, outside Communist Party headquarters, as they have done for the past several days. [passage omitted]

Mr. Lilov denied that the meeting had been held as a counter to a UDF rally organised last Sunday, at which many of the 150,000 demonstrators expressed anti-Communist sentiments. Many banners in the stadium proclaimed support for the Communist Party, but others appeared to be directed at the UDF, accusing it of favouring "demagoguery and capitalism", or said: "No to hatred, division and anti-communism". [passage omitted]

On September 9 Square, opposition supporters carrying candles listened to readings from the Bible by Orthodox priest Khristofor Subev, chairman of the independent committee for the defence of religious rights.

Kurdzhali Enterprises Declare Strike

AU2802144590 Sofia Domestic Service in Bulgarian 1400 GMT 28 Feb 90

[Text] The All-People Committee on Defense of National Interests in Kurdzhali has declared a 24-hour symbolic political strike throughout all enterprises and departments in the city. If its demands are not met, the strike will become a real one. The strike has been prompted by the interference of separate associations, groups, and persons in the work of the National Assembly. The strike's slogan is: Legal Order in Changing Names of Turkish-Speaking Population—We Are For Changing the Names, But According to a Legal Order and Judicial Procedure. Several city enterprises have sent protest telegrams to the National Assembly.

Strike Spreads in Kurdzhali

AU0103220890 Sofia Domestic Service in Bulgarian 2100 GMT 1 Mar 90

[Summary From Poor Reception] "The 24-hour symbolic political strike declared in Kurdzhali yesterday by the Committee for Defense of National Interests has further developed. The strike is connected with issues relating to the draft law on the names of Bulgarian citizens."

"The first to join the strike were the transportation workers," which caused disruptions in the city's transportation system, making commuting to work difficult. "The Bulgarian National Bank branch is not operating." A number of plants in the town have been unable to work normally.

"A rally was held today in the square in front of the offices of the Kurdzhali Municipal People's Council." The participants supported the demands made for a national conference on the issue of the changing of names by Turkish-speaking population.

"It was decided at the rally to continue the symbolic political strike tomorrow" and, if no response is received, "it will continue during the forthcoming days."

National Assembly Commissions Hold Meetings

Study Radio, TV Status

AU2102194890 Sofia BTA in English 1743 GMT 21 Feb 90

[Text] Sofia, February 21 (BTA)—The parliamentary commission appointed by the Ninth National Assembly to work out a proposal for determining the status of the television and radio has studied all materials and proposals made up to now, an official announcement says.

The commission has started the study of the laws and normative acts which regulate the status of state-run television and radio companies and organizations in some European and other countries with definitely democratic state systems.

The commission will hold meetings with representatives of the radio and television and the public and political forces participating in the national roundtable talks.

The commission will try to determine the place and the character of the television and radio in the structure of the state as institutions of national importance.

The commission does not intend to work out the internal structures of the television and the radio. It will not treat any personnel or intra-organizational problems which lie outside its competence, it is said in the announcement.

Review Bill on Names

AU2202161090 Sofia BTA in English 1328 GMT 22 Feb 90

[Text] Sofia, February 22 (BTA)—All Bulgarian citizens have the right to a free choice of their names and any attempt to exert pressure or abuse them will be prosecuted by law. Today the Parliamentary Legislative Committee and the Committee for the Protection of Public Interests and Citizens' Rights had a session held with the participation of representatives of the Union of Democratic Forces and the Committee for National Reconciliation to discuss the Bill of Bulgarian Citizens' names. The bill will guarantee the Bulgarian citizens a voluntary and free choice of names.

Now all matters related to the Bulgarian citizens' names is regulated by a normative act which led to committing abuses in his sphere in the recent and a more remote past.

The bill makes it possible for the Bulgarian citizens who were forcibly renamed to restore their names, minors included.

According to the bill names will be changed through a court of law, which is a guarantee for the observance of law.

Restrictions are imposed only on names of ridicule or disgrace, publicly unacceptable names or names that are incompatible with the dignity and the traditions of the Bulgarian people.

Discuss Finances

AU2602150590 Sofia Domestic Service in Bulgarian 1400 GMT 26 Feb 90

[Text] A meeting of the National Assembly Permanent Commission on Defense and Internal Affairs took place today. The meeting was chaired by Boris Karamfilov, chairman of the commission.

Tanyu Tanev, deputy head of the General Staff of the Bulgarian People's Army, and Lyuben Gotsev, first deputy minister of internal affairs, read reports.

The participants discussed the necessity of making efforts to reduce the expenditures related to the two departments' activity.

Hear Gloomy Economic Report

AU0103171190 Sofia NARODNA MLADEZH in Bulgarian 28 Feb 90 p 6

[Plamen Stavrev report: "At the National Assembly Social Policy Commission—Money Versus Goods]

[Text] The National Assembly Commission on Social Policy discussed a Council of Ministers' report on the social development of the People's Republic of Bulgaria in 1990. I do not think that the people's representatives who attended the meeting have ever heard more alarming facts, data, and figures, related to our country's development.

Our economy's state was presented in the following manner: excessive foreign debt, a stratified [razsloen] market, and a budget deficit. By the end of 1989 our foreign debt in convertible foreign currency surpassed the economically permissible limit. (It is up to the economists to more precisely define this limit). In 1989 there was a difference of about 2 billion leva between the money people had and the goods available in the stores. The situation this year will not be any better. According to the State Saving Bank, the amount of unspent money has surpassed 26 billion leva.

What does the socioeconomic development program offer? It includes a mixed market economy (also in anything related to the forms of ownership), and a market for goods and services, financial means, capital investments, and labor power. This economy must be extremely open to the world, which until recently we disparagingly ignored, because we primarily connected it with the exploitation of man by man.

For the first time the National Assembly will debate a plan that envisages slowing down the economic growth. In addition, for the first time the population's standard of living will not increase.

The financial means will increase, while the goods, in the best case (according to the economists), will remain at the level of previous years. The stores' shelves will remain empty, perhaps even more so, and the words "we do not have it" will continue to be among the most frequently used Bulgarian words.

The people's representatives made many proposals that will be reviewed by the Commission on Socioeconomic Development. The problems of the market, the population's standard of living, the real possibility of unemployment, the advance of the inflation processes, and so forth, evoke concern.

Review More Draft Laws

AU2802211390 Sofia Domestic Service in Bulgarian 1830 GMT 28 Feb 90

[Text] In Sofia today, the Legislative Commission, the Social Interests and Citizens' Rights Commission, and the leaderships of other Permanent Commissions of the National Assembly continued the session they started last week. They are discussing a package of draft laws.

With regard to the draft law on the names of Bulgarian citizens, the National Assembly deputies decided that the law should come into force immediately after its adoption by the National Assembly session.

Vasil Mruchkov, chairman of the Legislative Commission, proposed a new transitional regulation, according to which Bulgarian citizens who were forced to change their names in 1984 and 1985 may change their names at

their own discretion, without applying to a court. Children born after 1985 may also change their names. The created transitional regulation is to remain in force until the end of 1990, while in parallel with it those who wish to do so may also restore their names.

At today's session the members of the Legislative Commission returned to the examination started yesterday of the draft law on amendments and addenda to the Constitution. A new article was proposed and adopted which relates to the Bulgarian national coat of arms and flag.

Examine Budget Plans

AU2802202590 Sofia Domestic Service in Bulgarian 1830 GMT 28 Feb 90

[Text] The Permanent National Assembly Commission on Socioeconomic Development held a session today.

Ministers Ivan Tenev and Stefan Stoilov made speeches on the three basic documents—the 1990 program for the country's socioeconomic development, the concept for an economic reform, and the urgent measures for 1990. Minister Belcho Belchev gave an exposition on the draft budget for the year.

The government's main plans are concerned with the opportunities for maintaining the present living standard and stimulating economic life. This aim will be realized after, following the adjustment of Decree No. 56, the existence of different forms of property is ensured on a legal basis, with the state regulating the processes. On the other hand, a move is being made toward restructuring the economy as a whole, in particular the machine building industry, with a view to mastering the manufacture of products that are competitive in Western markets.

The new feature in the budget for this year is that a portion of the subsidies that are to be granted will be voted on by parliament, in order to ensure that they are spent effectively. Debates took place on the main draft documents, and new proposals were also made.

Government Adopts Economic Program, Job Regrading

AU0103075190 Sofia Domestic Service in Bulgarian 2000 GMT 28 Feb 90

[Text] At its session today, the Council of Ministers approved the program for the country's socioeconomic development in 1990, the concept for the economic reform, and the urgent measures and budget program for this year. These exceptionally important documents will be submitted by the government to the National Assembly for examination and approval at its forthcoming session.

With the adoption of these documents, and especially through the work of the collectives in industry, agriculture, and the other sectors of the economy, it is expected that a start will be made on overcoming the unfavorable trends in the national economy's development, in order to create the prerequisites for a gradual emergence from the critical situation, as well as for a transition to the market economy.

On the basis of the investigations and analyses completed by the Government Commission for Regrading Jobs in the National Economy, with the participation of representatives of the trade union organizations of the Kremikovtsi State Company, a decision was made on determining new labor gradings for those employed in special types of production and activities when they retire. It was emphasized that, where similar working conditions applied, those employed in other branches and activities of the national economy would also be regraded.

Government Launches Economic Consultations

AU2802200390 Sofia Domestic Service in Bulgarian 1830 GMT 28 Feb 90

[Text] The government has begun a series of consultations with political and public organizations, scientific researchers, and economic leaders on the program for the country's socioeconomic development in 1990, on the concept for economic reform, and on the urgent economic measures for this year.

The aim of these consultations is to involve a broader spectrum of the public in preparing the draft documents and reaching a national agreement on the nature of the economic reform and its implementation before the documents are submitted for adoption by the National Assembly.

Today the first of these meetings took place between Andrey Lukanov, chairman of the Council of Ministers, with a delegation of the Confederation of Independent Trade Unions in Bulgaria, led by Professor Krustyu Petkov. The representatives of the Independent Bulgarian Trade Unions made a number of useful suggestions on the prepared draft documents, primarily with regard to guaranteeing the social protection of the population in the transition from a centrally planned to a market economy.

It was agreed that the consultations should continue next week.

Later Council of Ministers Chairman Andrey Lukanov left on a working visit to France.

Convertible Funds Allocated for Health Care

AU2402202790 Sofia Domestic Service in Bulgarian 2000 GMT 24 Feb 90

[Text] In accordance with a proposal by the Ministry of Public Health and Social Welfare, the Council of Ministers has provided 8 million convertible leva for meeting certain urgent needs relating to health care and social welfare within the next few weeks.

There are plans to set up a commission to exercise control over the most expedient allocation and utilization of the foreign exchange funds received from the state budget, companies, donors, sponsors, and other sources.

In addition to representatives of the ministry's offices, the commission will also include eminent doctors, public figures, and representatives of the Bulgarian Doctors Union and the independent trade unions.

Finance Minister on Economic Situation

AU2302163290 Sofia POGLED in Bulgarian No. 8, 19 Feb 90 p 4

[Interview with Belcho Belchev, deputy chairman of the Council of Ministers and minister of finance, by Vladislav Georgiev; place and date not given: "Still Hoping?"]

[Text] [Georgiev] Is it true what people say, that we are on the verge of economic disaster?

[Belchev] To a certain extent, that is true. The results in January and at the beginning of February show that the rates of production and sales are falling. The situation regarding the balances of payments, particularly abroad, is very serious, and most of all with the balance of payments in convertible currency. I agree in theory that the general strategy should be for a market-oriented economy, in-depth economic reform, different forms of ownership, and so on, but in my view we must first begin with sharp measures to eliminate unjustified expenditures. We are already late in doing this, so decisive steps are required during the next few months to relieve the state, and the budget in particular, of the immense burden that it has assumed. Now is the season for sowing fruit, plants, and vegetables. Agriculture is one of the sectors capable of delivering the country from the crisis most quickly, in relation to production, profitability, and regeneration. It can play a leading role in radically changing the structure of the economy. It must speedily be given incentives, but not in the manner commonly employed until now: Give us so many million leva and we will produce, but in the final event there is no production. The first thing we must do is to allocate land for individual and private use; the second thing is to introduce without delay a range of small-scale cultivating equipment; and the third, to establish a free market with regard to fruit and vegetable prices, based on supply and demand.

Of course, the economy also consists of other sectors. I have recently held numerous talks with leaders of many companies that produce electronics goods: radio cassette recorders, video recorders, color televisions, and so on. Despite the serious state of the foreign exchange balances, I consider that now is the time to allocate several tens of millions of leva for the import of goods of this nature, as well as parts for them, in order to be able to ensure a varied market and high profitability. I need not mention what we can and should do in the field of the food and light industries. There are many things that can be quickly and efficiently set in motion in order to extricate ourselves from this situation, and the last of these is, of course, order and discipline in production.

[Georgiev] What will be your first step in your new post?

[Belchev] To provide the National Assembly with full information on the plan and budget for this year. The budget will include specific proposals and will seek specific solutions to the issues that I have just posed.

[Georgiev] Are you prepared to fight?

[Belchev] Of course I am.

[Georgiev] Do you share the assumptions, which have been widely reported in the press, that our economy will stabilize in two to three years?

[Belchev] Well, you see, I have to be precise. The state of the country's economy, especially from the viewpoint of its branch structure, is such that it is impossible to make any realistic forecast for the next two to three years. Of course, this does not imply sitting around and waiting for the structure to change.

[Georgiev] Can you promise that the standard of living will not fall further?

[Belchev] No hopes can be offered for the average living standard. However, the minimum social living standard for the socially weak strata must not on any account or for any reason be permitted to fall any more. Whether it will indeed be maintained depends on how the program is carried out. If there is any further delay, if measures are not taken in a timely way, then it is quite possible that it will further deteriorate. The laws of inflation and economics are merciless.

Minister Stoilov on Mixed Market Economy

AU2602115590 Sofia BTA in English 1051 GMT 26 Feb 90

["Bulgaria Builds Mixed Market Economy"—BTA headline]

[Text] Sofia, February 26 (BTA)—The strategic target of the economic reform in Bulgaria is to build a mixed market socially- orientated economy, the minister without portfolio of the problems of the economic reform, Mr. Stefan Stoilov, pointed out in an interview given to the NARODNA ARMIYA newspaper. The economy will be mixed both in terms of forms of property and in terms of mechanisms of operation. The market will be the basic regulator of production, exchange and consumption. The state will regulate the economic activity by using mainly economic means. Working out plans, national balances and programmes is possible, but these documents will not be binding on the economic enterprises.

Minister Stoilov underlined that the building of a market economy in Bulgaria involves the creation of growing

possibilities for integration with the world economic structures and with the European economic structure in particular.

According to the minister on the problems of the economic reform in the concrete situation in the country, the transition to a mixed market economy should be achieved gradually, but quickly enough and by exercising tight control over the inflation processes.

The formation of the new market regime of the economy will pass through several stages, Minister Stoilov pointed out.

The first stage will cover 1990, when the implementation of a package of urgent measures for overcoming the economic crisis will begin, taking at the same time steps to liberalize the economy. It is envisaged to restrict to some extent the state property and to encourage private, cooperative and joint-stock property. Special measures will be taken in agriculture. The sphere of contract prices will be expanded. The crisis makes it a must to drastically limit budget expenditure.

Minister Stoilov noted that at this initial period of transition it is necessary to complete the formation of the banking system at two levels—the National Bank and trade banks which will become equal partners of the economic organizations. In his view it is necessary to create the conditions under which all units carrying out economic activity will be given equal opportunities for going out into the world market.

The second stage will begin with the establishment of a legal basis for the extension of reform processes in all spheres and sectors of the economy. The third stage will cover the second half of the 90's, when the reform should ensure the formation of all structures of a modern market economy.

Dwelling on the starting point of the reform, the minister pointed out that the conditions are not favourable and the most critical point of the crisis has not come yet. This makes it necessary to take measures that would be unpopular.

Radio, Television Changes Announced

AU2302220290 Sofia BTA in English 2144 GMT 23 Feb 90

[Text] Sofia, February 23 (BTA)—Mr Pavel Pisarev, who was appointed chairman of the Television and Radio Committee yesterday, and delegates of independent organizations of television and radio employees, today reached agreement on the future status of the committee and on structural and personnel changes in it.

They agreed that no political parties and movements whatsover can conduct political activity on the premises of the committee. The chairman will issue a special order forbidding such activity.

Today Mr Pisarev dismissed all deputy chairmen of the Television and Radio Committee and undertook to fire all employees who have discredited themselves in the eyes of the staff and the public.

The agreement says that departments subordinate to other state bodies cannot exist in national radio and television.

It is recommended to cut down the size of the personnel of some divisions of the committee which have been overstaffed during the last 20 years with due consideration for the redundancies' occupational and social interests.

As a result of the accord, the indefinite strike on which the staff of the Television and Radio Committee was to go on February 27 has been called off.

In a televised statement this evening Mr Pavel Pisarev emphasized that as from today the radio and television journalists will work without taking any orders from the BCP [Bulgarian Communist Party]. "The committee is a government body operating under National Assembly control," he said.

Mr Pisarev said that he was determined to help the uncompromising dismantling of the totalitarian system in national radio and television.

Newly Appointed Radio, TV Chairman on Tasks

AU2802213690 Sofia OTECHESTVEN FRONT in Bulgarian 27 Feb 90 pp 1, 3

[Article by Pavel Pisarev, newly appointed chairman of the Bulgarian Radio and Television Committee: "In the Avalanche of Changes"]

[Excerpts] For more than approximately 100 days, we have been living in a country in which a new atmosphere has become pervasive. A new Bulgarian democracy is in the process of emerging. It deserves its own democratic radio and a democratic television. Political pluralism has been established in our country, and we should respond to it with pluralistic information. No party whatsoever is entitled to consider television and radio as its own property. It is the first time in my career that I have been appointed by the head of state at the government's order. We no longer receive instructions from the Bulgarian Communist Party [BCP]. Our work will be evaluated by the public, by various parties and organizations through their press organs, and by professionals. This assessment should be strict and exacting. Of course I am not going to repeat the fashionable but demagogic slogan about our being an independent institution. This does not apply to our committee. We are a government organ subject to the control of the government and of the National Assembly, and we are expected to promote the policy of these two institutions. No one can abolish these institutions, but changes can occur in their composition. [passage omitted]

We intend to adopt a professional and objective attitude to all political parties and organizations within the framework of the Constitution. Nevertheless, we shall defend certain standpoints. Our public is entitled to accurate and prompt information and to commentaries about fundamental changes taking place within the parties, about their renewal, about the establishment and development of new parties. [passage omitted]

Free and democratic elections are expected to take place in the near future. Our two institutions should contribute to the improvement of the people's political culture. We rely upon the assistance of both the head of state and the prime minister in connection with the forthcoming elections and the future work of our two institutions. We intend to establish creative contacts with the leaders of the BCP, the Bulgarian National Agrarian Union [BZNS], the Union of Democratic Forces [UDF], various trade unions, youth and women's organizations, with the Fatherland Front, and other movements. Naturally, it is our task to organize their participation in radio and television programs in a professional manner. Radio and television are not a Chinese wall for the indiscriminate hanging of political posters.

As to the internal problems of our institutions, they should be promptly resolved. The different echelons of leadership should be eliminated. Programs should be improved. The problems involving personnel, programs, and technical details that have accumulated and have been stagnating in the past should not only be attributed to the former management. The totalitarian system was chiefly responsible for them, because it does not care about the real needs of radio and television and their development, but regarded these media as instruments of consolidating the totalitarian regime.

What are we, the radio and television journalists, renouncing today?

We renounce a form of journalism subject to internal censorship. We renounce journalism subject to fear. We are becoming journalists who intend to obey only their own conscience, and who are guided solely by their professional integrity. Let us hope that none of us shall be forced to betray his own conscience. We should never again permit manipulators from the television screen and the radio microphones to disgrace the Bulgarian people, just like an irresponsible clique used to manipulate and disgrace a whole nation. Television and radio should never again be turned into an armored train of totalitarian ideology. They should never again try to fire salvos of hatred and create the image of the enemy within the country and abroad. [passage omitted]

We are totally involved in the avalanche of current changes. Every time we say "tomorrow" it could be too late. However, amid the panic and the increasing demands—some of which are justified, others less justified, and some even prompted by noisy demonstrations and violence, while others are purely demagogic—among all this confusion, the radio and television cannot behave insanely by hysterically reacting to every scream. Let us remain cool-headed. The Bulgarian home should not be a madhouse. Tomorrow we could be accused of having instilled the virus of violence and irreconcilability and that we have committed deadly sins against the humanitarian spirit; we could be accused of transmitting a wrong image of Bulgaria to our adolescents and children. [passage omitted]

May our television and radio, once and for all, part with outdated Balkan provincialism. Let us devote all our efforts to our participation in the united European and worldwide media community. Let us mobilize all our energies so that we may present ourselves in our best form and let us quickly train a young generation of Bulgarian journalists and citizens who will be accepted by Europe and the world as equals. [passage omitted]

Dimitrov: Settling of Soviet Jews 'Provocation'

JN1802214490 Abu Dhabi AL-ITTIHAD in Arabic 17 Feb 90 p 6

[Excerpt] Paris—Bulgarian Foreign Minister Boyko Dimitrov has told AL-ITTIHAD that the attempted settling of half a million Soviet Jews in occupied land is a provocation potentially harmful to the peace process. Democratization in Bulgaria should make no difference to Bulgaria's traditional policies in the Middle East, especially its support for the Palestinian people's cause, he said. He emphasized that the Palestinian people must exercise their right to self-determination.

Bulgaria looks forward to establishing diplomatic relations with the PLO in the near future, Dimitrov said. [passage omitted]

'Solidarity' Society With Poland Established

AU1802162590 Sofia RABOTNICHESKO DELO in Bulgarian 10 Feb 90 p 2

[Text] Sofia, 11 February—A Bulgarian-Polish Solidarity Society was established at the Polish Cultural-Information Center in Sofia. It will contribute to the implementation of contacts between the two democratic forces, associations, parties, unions, movements, and creative workers in Bulgaria and Poland who are striving for a democratic society. The society is expected to cooperate with the already existing Polish-Bulgarian Solidarity Committee in Poland.

The newly established society will also try to facilitate an exchange of ideas, experience, concepts, and documents between the two countries. Academician Petur Dinekov, Elka Konstantinova, Blaga Dimitrova, Vanda Smokhovska-Petrova, Aleskandur Yordanov, and others were among the first who joined the society. All citizens who have any connections with Poland or who share democratic ideas of society, regardless of their other party, religious, or ethnic affiliations, are entitled to become members.

Czechoslovak Airlines Turn Down Bulgarians

AU2702152090 Sofia ZEMEDELSKO ZNAME in Bulgarian 21 Feb 90 p 2

[K. Blagov report: "Off Limits for Bulgarians?"]

[Text] As of 3 February, Czechoslovak Airlines [CSA] does not accept Bulgarian passengers on aircraft flying from Prague to Havana via Montreal. Our reporter interviewed Engineer Jan Mac, CSA representative in Sofia, on this subject. He explained that the decision was adopted as a result of the fact that these flights were being taken advantage of for mass emigration to Canada.

Considering that Balkan Airlines does not fly this route, our compatriots travelling to Havana frequently used the services of Czechsoslovak Airlines. Between November 1989 and the end of January 1990, however, approximately 300 Bulgarian citizens and numerous Poles purchased tickets for Havana and disembarked in Montreal, where they wished to remain.

These passengers did not have Canadian visas, Mr. Mac explained. Because this is a breach of the Czechoslovak-Canadian agreement on airline communications, the Canadian authorities warned that unless this practice is stopped, all Canadian airports will be declared off limits for Czechoslovak aircraft. Under these circumstances it was decided to no longer accept passengers from Bulgaria and Poland.

Mr Mac further explained that it is not a question of discrimination, this being a compulsory measure which causes great losses to Czechoslovak Airlines. CSA was even forced to reduce its flights to Havana from twice to once a week. Bulgarian and Polish citizens who had purchased tickets were notified and it was recommended to them to use other East European airlines which fly to Havana, such as Aeroflot and Interflug. The restriction imposed by CSA does not apply to Bulgarian passengers returning from Havana since this route does not include a stopover.

Lukanov, Mladenov Meet European Council's Bjorck

AU2702222090 Sofia BTA in English 2024 GMT 27 Feb 90

["Bulgaria, Council of Europe: Establishing Official Contacts"—BTA headline]

[Text] Sofia, February 27 (BTA)—Bulgaria has initiated an ambitious programme for considerable political, economic and legal changes, said Mr. Anders Bjorck, chairman of the Parliamentary Assembly of the Council of Europe, who arrived yesterday on an official visit here.

At his today's lecture at the National Assembly he expressed his assurance that these changes will create the conditions for political pluralism and lawfulness, for holding free elections and giving all parties access to the mass media.

Mr. Anders Bjorck admitted that until recently the Parliamentary Assembly was worried about the situation in Bulgaria, especially with regard to the ethnic and the Muslim minorities. He welcomed the decision adopted by the State Council and the Council of Ministers on this matter at the end of last year and expressed his hope that the tension ensuing from it is temporary and that the harmonious relations among all citizens of Bulgaria will be restored.

At a press conference held later with Mr. Bjorck he announced that the Bulgarian side had handed to him a message for Turkish President Turgut Ozal, with whom he is to have a meeting on Friday.

The chairman of the Parliamentary Assembly, the highest-ranking official of this institution to have ever visited Bulgaria, was received by Mr. Petur Mladenov, president of the State Council, and Mr. Andrey Lukanov, chairman of the Council of Ministers.

The possibility of granting Bulgaria a special guest status was discussed at both meetings.

According to Mr. Anders Bjorck, these procedures will take several months. "Of course, the elections will play an important role," he said at the press conference, specifying that the sole requirement is that they should be free and secret.

At the talks with the chairman of the Council of Ministers it was pointed out that the support of the Western partners and the international economic organizations would be very important for the success of the reforms in Bulgaria.

The delegation of the Council of Europe pointed out that the Council could help with the experience accumulated by its member nations.

At the same meeting Mr. Bjorck stated that he is encouraged by what he saw and heard at his numerous meetings with representatives of the official authorities and of the different public and political forces.

This morning Mr. Anders Bjorck and the delegation led by him had a meeting with representatives of the opposition Union of Democratic Forces.

Cooperation Talks With UK End in Sofia

AU0103074590 Sofia BTA in English 2134 GMT 28 Feb 90

[Text] Sofia, February 28 (BTA)—The Bulgarian-British Commission for Economic, Industrial, Scientific and Technological Cooperation completed its 18th session today.

The sides stressed the expedience of signing agreements on investment protection and promotion which will

create better conditions for the development of bilateral cooperation. It was decided to hold a British technical season here in May.

The British delegates said that the UK Government has decided to include Bulgaria in the list of countries eligible for assistance from the know-how fund.

During the session, members of the British delegation met with representatives of the Union for Citizens' Business Initiative and of the Union of Individual Goods and Services Producers, at which they considered the opportunities for the establishment and expansion of cooperation in areas of shared interest.

The British side expressed readiness to support Bulgaria's application for admission to the International Monetary Fund, the International Bank for Reconstruction and Development and the General Agreement on Tariffs and Trade.

Calfa Addresses Assembly Session 27 Feb

LD2702152890 Prague Domestic Service in Slovak 1208 GMT 27 Feb 90

[Speech by Federal Premier Marian Calfa at Federal Assembly session in Prague—live]

[Text] Esteemed Mr. Chairman of the Federal Assembly, esteemed ladies and gentlemen deputies. The duty of the government of national accord is to resolutely part ways with the unfortunate political, economic, and social development of the past 40 years. We have to stop the unfavorable trends and to take the first steps toward a change for a better future. The starting point for us is the unavoidable stocktaking of the heritage that we have taken over. We are not interested in any alibi for ourselves but in clarifying the depth of the basic problems of our society, and in pointing to the challenging character of the tasks to be solved. There has been enough presentation of things in rosy colors, and it is up to us to show people the truth of the reality we face.

If we look back at the state of things after World War II, we can see that our state entered into the peace period with good prerequisites. Naturally, we had suffered both material and human losses, but compared with the majority of European states, our losses were much smaller. Moreover, our climatic conditions, natural wealth, and the standard of education of the population were certainly no worse than those in our neighborhood. Despite all this, we are, after decades of hard work, basically a second class country. We have boasted throughout of our successes, in comparison with the First Republic, in order to deliberately avoid an honest comparison with the development and the situation in the FRG or Austria, for example. After the war we looked on them with a kind of respect—and those who remember this will confirm this—because where were we and where were they then?

And how things have changed, how has life punished us! The so-called economic standard of the country—this is basically the level of created national income per head of the population—is often seen as the criterion of economic and social level of advancement. Our public is aware of the debates over what our rank is compared with advanced states. Despite many differences in methods of assessment, it is, however, without doubt that we started basically at the same level as many advanced states of West Europe. But today we can reckon, for example, only with 40 to 60 percent of that achieved by the FRG. This is because in our country for many years economic stagnation has been prevailing, we have been falling further and further behind those advanced states, or rather they have been moving ahead of us, while many states, previously much less economically developed—for example, the Balkan states—have come closer to us.

We have to say, unfortunately, that a number of important characteristics, above all the structure of our exports, mostly fuels and raw materials, place us in fact among developing countries while some of them—above all those in the Far East and southwest Asia that meanwhile started a fast rate of development—have already overtaken us and there is a threat that others will also overtake us soon. Furthermore, we have preserved and deepened that structure of our national economy which does not correspond to our or world conditions, which favors giant projects, old fashioned, smokestack, dirty, and material-intensive industry and excessive organizational concentration of production. This has punished us also by culminating in a catastrophic devastation of the environment. The relevant data about this has ceased to be a secret and is generally known. We know that we hold today the second place of honor in the world in extent of sulphur emissions per square kilometer! To illustrate this: The annual emission of sulphur oxide in our country is more than 18 tonnes per square kilometer, and in the neighboring FRG it is about nine tonnes per square kilometer. Some 35 percent of our forests, in some areas more and in others less, are damaged. And our agricultural land has been eroded to approximately the same extent. Our rivers are not only badly polluted, but this pollution has already affected also the underground water, due to the large number of oil and chemical accidents and the agricultural technology used.

Despite this the checks carried out by the CSSR people's control committee last year at 179 projects under construction within the state ecological investment program showed that at almost 75 percent of them there are shortcomings in either preparation or implementation. Failure to ensure provision of deliveries of technology is the main reason for nonfulfillment of the state program. Ecological projects are also meeting the same problems this year. Furthermore, the number of projects without ensured financing has increased from 10 to 20 percent.

All this has had a very negative influence on both the health and moral state of our people. We know above all that in recent years, unlike development in other European countries, average life expectancy has been reduced; in men it is three to five years and in women one to three years shorter than in neighboring countries. We have a relatively high infant mortality rate and we have not been able to reduce it considerably for many years. Alcoholism and toxicosis are increasing. The number of people in prisons is also alarming. Just compare this: In recent years there were 195 people in prison per 100,000 of the population, and at the same time in Great Britain, France, or Sweden there were about 65. This indicates not only the growth of criminality in our country but also shows that the state has been overestimating the role of suppressing crime. This has become also, as it is known, a decisive form of dialogue with various forms of political opposition.

There is no doubt that the main culprit of all this was the monopoly power enjoyed by the Communist Party and the quality of the cadres in its leadership. This laid the foundations for the moral and cultural decline, and at

the same time spelled death to creative and working initiative, thus gradually undermining the whole of our economy.

Life has shown that without democracy and creative thinking, labor productivity and a country's prosperity cannot grow. This leads not only to losses in material values but also to the loss of the economic position of the country and its population. The state annually spent close to 50 billion korunas on defense and security, which was approximately eight percent of the value of the national income. Thus we have taken over disproportionately large Armed Forces; for instance, in the number of troops or tanks per 100,000 inhabitants we took first place. At the same time we ourselves have been a state on whose territory foreign troops have been stationed. This, however, did not prevent us from being at the same time generous allies of a whole number of other dictators who received the core of our foreign civilian, and mainly, military aid. That aid, including credits that we will find difficult to recover, reached the amount of 5 billion korunas annually.

The security service employed at the level of the federation and the republics includes 62,000 personnel, including Ministry of the Interior troops. The security service, however, was incapable of preventing the growth of criminality. On the contrary, its key element, the well-known State Security Service, itself constituted a mafia, spreading fear among our people day and night.

The living standard of the population, in view of the low performance of the economy, lagged behind, relatively speaking. We have a cheap labor force, which unfortunately is more than compensated by high state expenditure, since the sphere of the outlay of the state budget is almost 70 percent of the national income, among the highest proportion in the world. This expenditure naturally also meets a considerable volume of subsidies provided and the key portion of social consumption. But state administration itself costs us annually around 8 billion korunas, especially due to its excessively uneconomical structure. Let us remind ourselves of the fact that we have three tiers of national committees. Moreover a further 2.5 billion korunas were spent on financing social organizations of the National Front, including political parties.

It has already been said that in international terms we are lagging far behind, despite enormous resources that have been invested for long years on expanding production. It cannot be said for sure that the size of resources spent on investment, scientific and technological development, and the growth of stocks was insufficient in view of the resources created. Its overall share exceeded during the past years, 35 percent of gross national income, which ranks among world records. The other thing is how effectively these resources were used. It is exactly this which was not succeeding, because cheap forms of restructuring and modernization of the manufacturing base were neglected and instead new capacities were built, especially in the form of large projects; this was unfortunate, especially the case of the primary sectors of fuel, energy, and the mining and processing of raw materials. Let us recall for instance gigantic and costly ventures, such as the Gabcikovo-Nagymaros hydroelectric project where there still exists a big risk as far as its future use as a source of energy is concerned. Finally, there are the so-called integration ventures in which we are participating abroad with considerable losses. Here lies one of the significant factors for the growing inflationary pressures.

Large resources are tied up in stocks. During the past four years alone their volume increased by almost 70 billion korunas, of which a considerable portion will probably be unsaleable. Today their overall volume represents a greater sum than the annual national income. They exist in various unfinished forms. This is just proof of the low standard of the organization of production and the lack of its continuity. Around 400 billion korunas are immobilized there.

We have, relatively speaking, the highest number of employees employed in the field of science and technological development, which is costing us almost 25 billion korunas annually, excluding other investment. Nonetheless we are still not capable, in the majority of cases, of achieving returns on the resources expended.

Overall our state is lagging behind in the growth of the social productivity of labor. Reasons for this can be assessed differently, but one should cite as the prime reason the technical and economic backwardness of manufacturing and technologies, which are estimated to lag between five and 15 years behind the advanced countries of the world. We have production which is disproportionately demanding of the sources of energy, and raw and production materials. For instance, our energy consumption is between 30 and 50 percent higher than in countries with a fair economic standard. This shows that we possess a potentially considerable scope for economies, up to around 30 million tonnes of specific fuel annually, provided we succeed in achieving optimum consumption, in particular as far as the burning of brown coal is concerned. This would at the same time gradually ensure a conspicious improvement in the country's ecological situation without the need to spend any money. And once again this high consumption of raw materials makes roughly a double demand on cargo transport, a system which in our country, as we know, is intolerably overburdened.

Having oriented ourselves toward new construction projects, we lacked resources for the renewal and modernization of our machinery pool, which compared with the outside world is older on average by between five and seven years, while the need for the renewal is estimated to cost roughly 150 billion korunas. At the same time the technological capacity of our economy is insufficiently used. In approximate terms, in comparison with the values prevailing in the world, this constitutes resources of roughly the same size. We attempt to produce almost everything ourselves, and this has led to the obsolescence

of our technology. This, combined with the low standard of labor organization in our enterprises, results in the productivity derived from what is termed the manpower expenditure being roughly at the level of one quarter or one half that in advanced countries.

We know today that the key reason for the low standard of the organization of our economy is its excessive size and, from this stems the general lack of flexibility in our enterprises. We know that in advanced countries between 50 and 66 per cent of the people work in small and medium-sized enterprises with up to 300 employees, while enterprises like these are almost unknown in our country. On the contrary, nowadays after the reorganization has been implemented, the average size of our enterprise is somewhere around 3,500 employees. Unfortunately, in this respect we also hold an undesirable world record.

For 40 years we have been a member of CEMA, only to find out in the end that our involvement in this international division of labour is far from suitable. On the one hand, this undemanding market has made possible the decline in the quality of our output, and on the other hand, through its mutual allocations system, it has led to the bureaucratic circle of mutual exports and imports allocations and eventually to general shortages of almost everything. By this, of course, we do not intend to indiscriminately and unjustly refute a number of specific positive results, which ensued from our cooperation with the Soviet Union and other states of the community.

I will only recall briefly that the proportion of our exports in freely convertible currencies was consistently going down in past years. Even our proportion of trade with the developing countries was dropping. But for us these countries represent an important opportunity for an exports and imports offensive, for a speedy involvement of our economy in the world market and, of course, also an opportunity to import many fuels, raw materials and articles that were hitherto in short supply.

The efficiency of our exports has been going down for a long time. This is confirmed by the very low prices we get for our exports. For example, in engineering products they reach on average only 25 percent of the prices charged by other countries. Even other CEMA states are ahead of us. This, of course, lays the foundation for the excessive cost of our imports in freely convertible currencies, even disregarding the fact that we are permanently short of them.

Our gross foreign indebtedness is rising rapidly. While, for example, as little time ago as beginning of 1989, it amounted to approximately $7.3 billion, it had risen by the end of the year to almost $7.9 billion. This trend is, unfortunately, continuing.

On the other hand, we have dozens of billions of korunas, including a considerable sum in freely convertible currencies, tied up in sizable claims, which were usually accrued by exports covered by our government credits.

In the past two years our financial claims on the Soviet Union and to a certain extent also on some other CEMA states have been increasing. The highest non-liquid claims are against Syria, Libya, Iraq, Burma, Cuba, and Nicaragua. It is necessary to say that their collection and utilization generally involve considerable losses.

Our national economy for a number of years, above all since 1984, has been operating more as production for the sake of production. All this is being manifested in the increase of internal imbalance in which there is excessive demand of the population, while enterprises and the state are not covered materially by goods and services. Our issuing policy has not been able to prevent this development, which has been manifested in the growth of the inflation process—we today estimate the level of inflation to be 2.5 to 3.5 percent annually—and in the constant fall of the purchasing power of our currency. All this has been reflected in overall stagnation and now even in the lowering of the real standard of living of our population.

Our internal market is relatively poor, the industrial consumer goods in demand are in particularly short supply, and our population has to turn more and more to searching around and to bribery both in shops and also in the nonproduction field. A certain balance is being preserved so far, thanks only to the consistent and necessary regulation of people's incomes, above all wages and reward for work. We are not, however, able to regulate the gray economy where not only moonlighters and thieves but also various useful craftsmen are active; and its annual value is already estimated at present at tens of billions of korunas.

The quality of life, apart from living standards and the environment, of course, is made up of other living and working conditions, first of all housing, where a vast number of acute problems has accumulated. We have a general shortage of apartments which is in some places only relative, because in this field the state allocation system prevails so far. In the CSSR there are more than 5.5 million apartments; more than 200,000 applications for state housing have been submitted, and there is a similar number of applicants for cooperative housing. Our future burden will be the 10- to 20-year lag in housing maintenance and repairs, which has resulted in decaying villages and towns, above all city centers. In new housing construction, the obsolete, ugly, costly and—from the energy point of view—uneconomical panel construction prevailed. A whole network of new housing estates where people will never feel at home has been created.

The situation in our health services and in education is judged very critical. Despite the fact that considerable means are allocated to it, their level is considered insufficient. It is still, however, limited by the low level of the economy as a whole and not by unwillingness on the part of our government. Here one has to see what our citizens see, the low productivity and quality of work in the

state-paid social consumption: so, for example, the standard of our health care is generally criticised as low. On the other hand, the number of doctors, compared with the number of the population, is on average, half or more higher than in the countries of West Europe. This situation, however, will be dealt with in more detail by national governments which are in charge of health services. Similarly, education statistics show, for example, our considerable lag behind the most advanced countries. This is not so much the case in secondary education, but above all in the small proportion of college students among the population older than 15. Compared with Japan, our figure is only half.

More than 1,500 million korunas is paid by the state to Czechoslovak television and to Czechoslovak radio, and less than 1,500 million to physical culture and sport organs, with the major portion is spent on top sports.

All the aforementioned influences both in the production and nonproduction sphere have in sum caused a considerable strain and produced the inflationary character of our state budget.

The noticeable lagging behind of the material and technological infrastructure of important branches such as transport and communications is generally known. From this also stems the lagging behind, above all, of the systematically criticized low quality of their services. Thus, for instance, we still have a waiting list of more than 400,000 applications for installment or transfer of a telephone.

When summing up this assessment of the state from which we proceed, my main concern is to provide on the whole a realistic list of the debts which the preceding regime has left to us. At the same time it is, however, necessary also to see in a certain perspective the resources in the unused big production potentials, which can be modernized, in the development of foreign tourism, and in particular in the retraining of some groups of workers and technicians.

Let us not harbor any illusions that we will succeed in unraveling soon this skein of problems that have accumulated and been left untackled over a long period of time. Our aim is to make sure that the situation does not get worse, not to permit any further destabilization of the national economy, and to establish the fundamental changes that are inevitable if we are to achieve a positive change. Already this intention is highly demanding, and we cannot say with good conscience that we are succeeding in fulfilling it.

The growth of the gross national income in 1989 has been estimated at 1.7 percent, but when we take into account the so-called hidden increase in prices it is doubtful whether we can talk about any growth at all. Economic organizations adopted a wait and see attitude, with some of them engaging in sharp practices in the spirit of the old-time style of management, having tried to extract various economic concessions and advantages from the center. The fact is that despite the considerable slowing down of growth, they exceeded without great effect the undemanding economic plans, which they had succeeded in pushing through for 1989 in the expectation of the planned economic reform, relaxation of prices, the conversion of arms production, and the changes in the organization and structure of the production sphere. They were then able to pay full wages and bonuses.

Although the nominal money income of the population increased last year by almost 3.5 percent, it increased only negligibly in real terms, and the development of living standards grew only negligibly throughout the past decade. The worsening results of the economic organizations at the same time were reflected in the decrease in levy payments, which in turn contributed to a treasury deficit in the state budget amounting to 5.5 billion korunas. This was the worst result during the past 10 years.

For various reasons, on the basis of the continuation in the well established unfavorable trends, considerable uncertainty and instability has been growing in some enterprises. This has resulted during the past few months, including January this year, in a certain drop of production and thereby the economy as a whole.

Esteemed Federal Assembly, even in a lengthy speech it is not possible to acquaint you with everything that arises from the analysis of our present state. This is why I promise you that at the end of April or the beginning of May this year you will receive a more detailed analysis of the results of the whole year 1989 and for the first quarter of 1990.

The government of national accord has completed almost 80 days of work. As you know, further changes in its composition have taken place even in this brief period. Three of its members have left, an independent ministry of communications has been reestablished, and a proposal to split the State Commission for Scientific-Technological Development and Investment is being drawn with the objective of creating an independent, small federal body dealing with the environment.

Considerable organizational and personnel changes took place in banking, as a consequence of dividing the issuing and commercial activity of the banks. The government discussed a whole number of other personnel changes in the posts of deputies in practically all central bodies, and in the Army, the security corps, and in our foreign service.

These unavoidable measures have unfortunately, particularly in the past 10 weeks, made more difficult the conduct of state authority in certain fields.

The economy has been and remains the focal point of the attention of the government. In the interest of switching from the directive-administrative way of management toward market economy lies the fundamental change of the entire economic system and the conditions of people's economic activity. Its purpose is to renew the

efficiency of the Czechoslovak economy and thus create the prerequisites for the growth of the standard of living and for our involvement, as our equal partner capable to compete, into the European and world economic community.

The transition to market economy includes solving a number of mutually conditioned problems. The first step is the creation of legislative and organizational prerequisites. At issue is first and foremost the possibility of creating various entrepreneurial components of the market with exact definition of their ownership rights and material responsibility for adopted decisions. This includes a series of laws defining the legal and economic positions of various types of enterprises, including the conditions for their association and composition, the amendment of trade law, and the forming of money market institutions and also of other institutions necessary for smooth functioning of the market, for example tax offices, offices for small businesses, and so on. The measures aimed at strengthening the competitive structure of the market and at penalizing the monopolistic abuse of state power are also a part of this first step.

It is also necessary to define fundamentally the conditions for the participation of foreign capital in the domestic economy as well as the role of domestic enterprises in foreign economic contacts and in foreign businesses.

The second step in taking these comprehensive measures is to rectify existing value relations and valuation criteria and parameters.

The third step is to open up our economy to the world, and liberalize imports and the movement of capital with the aim of achieving the convertibility of our currency.

The fourth step will be the creation of a tax system that would correspond to the market economy, a substantial curbing of subsidies and redistribution processes, and the transfer of the center of gravity of prices to the sphere of relations existing between sellers and buyers.

The legislative measures ensuring the functioning of the market econmy constitute an extensive package of laws. The law on individual businesses now being prepared is attacting in particular the exceptional interest of the public. Its draft envisages the possibility of the existence of the private ownership of the means of production regardless of the extent of it, including the number of employees. The previous cumbersome system of granting permission will be replaced by a registration at the relevant Office for Small Businesses. The complexity of the preparation of the law on private businesses lies in the fact that it is necessary to change or propose anew a whole range of norms concerning the above said activity. This concerns the change of the relevant articles of the constitution, the law on foreign trade activity, tax regulations, and the like. Naturally, it is also necessary to change the Criminal Code in which private enterprise has been figuring up to now as a criminal activity. Ranking among the regulations now prepared that are creating conditions for private enterprise is also the amendment of the law on road transport and internal forwarding [of goods] and amendments of the law on social security and health insurance for employees.

The draft bill on joint stock companies will promote a modern organization of state enterprises and equally their integration with foreign and domestic private capital.

The establishment is being prepared within the framework of the Federal Ministry of Finance of the Office for the Administration of National Property and the gradual privatization of it which will not only keep a register of state enterprises and tackle with due deliberation cases of specific sales or other forms of privatization. The thing is to prevent any cheap sale of the national economy.

Finally a new text of the law on state enterprise is being drawn up. In the interest of the efficient functioning of state enterprises the role of the founder, that is the relevant state body, is being increased. This should put an end to the anarchy of endless removing [of personnel] and elections of enterprise councils and enterprise directors. A reasonable participation of the working people in management continues at the same time to be secured. The founder, however, assumes the right to appoint the director as well as to decide about splitting or as the case may be amalgamating enterprises. Federal ministers have been instructed to set up competent commissions in their sectors which, in cooperation with the above said office attached to the Federal Minister of Finance, will provide a guarantee that rational organizational structures will be established.

Among the package of governmental drafts of economic regulations in the first half of the current year is also a norm, replacing the much criticized law on national economic planning, the law on agricultural cooperatives, the law on cooperatives, the amendment of the law on the revenue tax, the amendment of the law on turnover tax, the principles of the amendment of the law on the use of land and other agricultural property, amendment of the law on territorial planning and building regulations, principles of the law on Czechoslovak scientific and technological development, and the like. I realize that a list of legal regulations is tiring. I have however listed them to make it apparent how demanding is the preparation of market relations and how much effort the relevant authorities and their staff have devoted to it.

We are talking about steps of transition toward a permanent economy, which brings about the idea of their gradual nature. There is, indeed, a certain graduation, particularly since setting up legislative conditions is the inevitable point of departure, and the full opening up of the economy vis-a-vis the world is a final step toward the renewal of a functioning market economy. At the same time, however, these steps are mutually interlinked and conditioned. The new market economy cannot function successfully without liberalization of price formation.

However, it is clear that a free formation of prices, which would not involve the risk of their misuse, presupposes not only a global balance of supply and demand, but also a certain balance of market forces, balance of power between the seller and the buyer—that is, the existence of competition. However, we cannot achieve this in the conditions of our economy without liberalization of imports. We continually stress that the inevitable condition and accompanying feature of the entire reform process must be a highly restrictive currency and prices policy with an antiinflationary impact.

Correcting the existing value relations is a complicated and socially sensitive task. Often this role is being simplified and boils down to doing away with subsidies in retail prices and in the prices of some services, such as rents, transport, heat and water, and adjusting price relations to new rates of tax on consumption. In fact, however, a much more comprehensive problem is involved, namely correlation between the existing prices and the structure of supply, the standard of wages, the level of prices and other subsidies, and the form of free services and social incomes. If we want to arrive at an open economy, price corrections must also be oriented toward the adjustment of our relative prices to the conditions prevailing in the rest of the world. While carrying out this approach, it is obvious that putting right the existing deformations of value relations cannot consist simply of doing away with subsidies and adjusting prices to the existing costs and new tax rates. At the same time, and predominantly, it is in the change of costs and in the change of the structure of supply, including replacing a part of domestic supply by imports. I guess, I do not have to continue characterizing the problems of transition toward market economy to make it obvious that this transition cannot be accomplished by means of one firm and all-embracing step. What is involved is not only setting up a system of prerequisites, putting right value relations and setting the exchange rate on a balance level. What is involved is a process of structural changes, regrouping of forces in the economy, adjusting the structure of costs of production, technical standards, and quality of products to parameters usual in the world. What is also involved is adjustment of people to the emerging new economic conditions, education and preparation of qualified entrepreneurs, capable of communicating with the market—above all the foreign market—understanding its signals and opportunities, and reacting to them. Quite justly, the risks of gradual, very hesitant transition to a market economy, are being pointed out. There is insufficient incentive in the market-oriented behavior, stereotypes created in the old system of management still prevail.

No realistic and responsible way other than the path of a gradual transition exists, however. When we say "gradual transition" we do not mean a slow transition, indecisive, a transition without a clear knowledge of the sequence of the necessary reform steps. After the upcoming government discussion of all the necessary concept materials, this reform approach will be formulated much more specifically. The transition from the directive-administration system of the socialist type to the market economy is a task which has no historical precedent. In its course it is necessary to solve the inherited structural, cost, and price deformations, to overcome the autarchical character, and to gradually repay our national debts. The most important thing is, however, that the starting point of this transition is a totally nationalized economy in which legal private ownership and enterprising has been almost abolished and pushed into the sphere of illegal shadow economy. At the same time enterprises of the state sector have not been self-administrating, and have not been responsible links in the all-embracing state machinery. Because of their present importance and the value of the property their privatization will, obviously, be a more long-term and gradual process which cannot be postponed for ever.

In the nearest future it will be necessary to solve the prosperity of larger industrial enterprises, above all on the basis of the existing national ownership, which naturally does not exclude a gradual increase in the number of individual owners from our country and from abroad too. The principles of the privatization program will be submitted to the public as soon as possible for discussion.

The source of inefficiency of the directive-administrative system lay among other things in the fact that politicians or bureaucrats who were not linked by ownership or income did not feel in their own pockets that the consequences of their decisions determined the final decision on the fate of enterprises. To turn state enterprises into enterprising subjects means to remove above all this sphere of decisionmaking powers and responsibility from the consequences of adopted decisions. This is why the government is taking practical steps in the interest of a considerable improvement of expert management and the entire economic activity of state enterprises. We do not only want to call for an end to the current destabilization of the leadership of the enterprises. To a certain extent the replacement of directors currently taking place can be viewed as a necessary accompanying phenomenon of revolutionary changes. At the same time we have to unconditionally insist that the management of state enterprises and their activities must not be paralyzed, and that cadre changes take place according to valid laws, but fast and efficiently.

Recently, I said at a meeting with trade union functionaries that every society has only a limited number of really skilled managerial workers. Let us thus not allow these workers to be replaced on the basis of emotions and regardless of expert qualities. In the management of state enterprise there must be truly enterprising teams with a high managerial standard. No state can entrust enterprises with vast economic means and watch indifferently the decay and expressions of the undesirable weakening of their management.

Despite the preparation for system changes, the government has also discussed practical measures, which means the implementation of the relevant passages of the program policy statement. This is, for example, the submission of an application for the renewal of Czechoslovakia's membership in the IMF and the World Bank.

Our decisive partners are accepting the request with understanding and they promised to evaluate it favorably in the third quarter of this year, so it is unique to a certain extent.

The government also discussed the conception of our approach to the creation of a joint market of countries of the EC. It adopted measures so that technical, hygiene, safety, and other norms are brought in harmony with those in the EC by 1 January 1993.

The public was relatively well informed about the stands taken by our delegation during the 45th session of the CEMA. These stands are being made concrete at this time during bilateral and multilateral talks with countries of this community. Serious problems were solved by the government in connection with late deliveries of Soviet oil. The Soviet Union promised to fulfill the overall deliveries agreed for this year although the shortfall is not being reduced and there are signs that it might grow, which could create disruption in gasoline supplies.

The government also discussed the economic, ecological, and legal consequences of the withdrawal of Soviet troops and has instructed the relevant organs to agree to take over and use various facilities and to implement a mutually agreed upon procedure for compensation as a result of possible damage.

According to pledges made in the government statement, a unification of trade and nontrade exchange rates has taken place. The changes which have taken place in exchange rates should motivate the business sector in the desired direction and structure of export and import. The introduction of a higher tourist rate of freely convertible currency was intended to contribute to limiting illegal trade in convertible currency and give equal opportunities to the inhabitants to travel to the West. With regard to the irrational price structure, in particular subsidized retail trade prices, it also enabled the buying out of food and some other types of goods by foreigners. The government feels this to be a weighty problem and it will concern itself with it by means of a set of unavoidable measures the day after tomorrow. In connection with changes in exchange rates it will also be necessary to adopt a set of accompanying measures.

The government reacted to some inflationary pressures which were characteristic of the end of last year and the beginning of this year with a regulation about compulsory depositing of funds before commencement of investment construction and a decision on the regulation of wages and deductions for violations of wage discipline. Regulations have been adopted for the issuing of bonds which temporarily—that is, during the period up to the adoption of the relevant law—enable the functioning of this unavoidable element of a future money market.

We have carried over the budget deficit for this year and this unfavorable fact must be corrected. The necessary surplus cannot be achieved today, however, by means of pressure for further increase in budget income. Here there is a real risk of nonfulfilment with the possible reduction in demand in some sectors, in particular that of specialized production. Furthermore, today's rate of levy payments, namely the 65 percent rate of levy on the profits of state enterprises is at the very limit of tolerability. There is no option but to cut expenditure, although in a differentiated way, and it must be said that this is a policy which is not only unavoidable, but from the viewpoint of the present level of expenditure it is a policy which is realistic on the whole.

Our intention is to wage war against the complicated system of levies. It is a system which takes from the successful so as to help finance those who cannot earn their own living with their productivity. We are therefore bringing proposals for a reduction in some types of levy until now connected, with less effective export. We propose a partial reduction of levies also for agriculture. Not because levies should disappear altogether here—there will always be a need for support of agricultural enterprises which are in objectively worse natural conditions—but because they are disproportionately high. This is confirmed for example by comparison with the countries of the EC where levies have a 15 percent share in the payment of overall cost of agricultural production. In our country this share is more than double.

We are also submitting a proposal for a gradual elimination of subsidies on extraction and processing of certain ores and other raw materials, which were until a short time ago substantiated by an anti-imports policy or, on the whole, by a simple need to employ people. We consider it quite desirable to cut down the noninvestment subsidies by approximately 5 billion korunas.

The government considers the restriction of the redistribution system of subsidies an important step leading toward explaining and making more intelligible the (?phenomena) in the economy, making possible rational calculations and decisionmaking, and lastly it considers it to be a step toward a just order.

With regard to this problem, I would like to point out yet another factor. Let us not wait for the IMF and its specialists to demand that we act in a resolute manner. After all, we ourselves are able to act sensibly in a good time.

The third intention of the government is to restrict the present budgetary expenditure as a whole. We consider the previous size of expenditure on defense and security to be out of proportion with our real needs. The decision on cutting the numbers of Czechoslovak Army [personnel] and on reducing the [length of] military duty, is not only a logical consequence of economic necessity,

but also of the change in policy. Naturally, it will be accompanied by unavoidable cuts of financial resources. We propose that defense and security expenditure be reduced by roughly 6 billion korunas compared with the budget approved by the last government.

Expenditure on health care and education remains in the originally adopted form. This actually also means growth in comparison with last year by eight per cent, and this is considered the maximum possible, while taking into account the planned two per cent dynamism of the national income. Allocations to political parties are being reduced by almost 1 billion korunas, so that their share will represent about two thirds of the original budget. It is a consequence of the reduction of unjustifiable allowances, which, so far, the present budgets donated to the only party, the Czechoslovak Communist Party. I think that the draft state budget is in harmony with our proclaimed principle of policy which rests in increasing demands vis-a-vis both the production and non-production sphere, and not in affecting living standards of the population. At the same time, however, we must strive to do away with secrecy in budget making, making it more comprehensible, so that it can be under the democratic scrutiny of the public. Everyone must have the right to find out what the money is spent on and where it comes from. Keeping some parts of the budget secret or cooking the books has not paid. The main mistake was that people and their deputies forgot about the most natural principle of budget economy: Namely, that if something is added for a certain purpose, something must be deducted elsewhere. I am convinced that the democratization process, as early as today, guarantees that future budgets will be better and more just.

The plan for this year was adopted by the previous government in November of last year. The present social economic development has required partial adjustments in the compulsory parts of the plan which the government of National Understanding discussed in January—and most likely, there will also be some other changes. For instance, one will have to safeguard the needs of the economy by means of some basic raw materials, production materials, and semi-products, where there is a threat of mass redistribution for the benefit of exports for freely convertible currencies. Plan and budget should also be influenced by a check up on the large-scale building projects which are being partly financed by the state budget. The result of the work of the government Commission should be reducing investment expenditure as early as this year, but above all, in the coming few years.

Esteemed deputies, allow me briefly to report to you on what is ahead of us in the next few weeks and months in implementing the economic reform, in agreement with the leadership of the Federal Assembly, following a brief break. [Calfa takes 30-minute break before beginning the second part of his speech]

I ended [the previous part of the speech] by saying that I was going to inform you in detail on what is ahead of us in the next weeks and months in carrying out the economic reform.

One of the first testing stones along the road toward a more efficient economy will certainly be the draft of the new state budget for 1990, which the government will submit to the Federal Assembly in March. In advanced countries it is precisely the state budget which governments use to present their specific economic policies and it is the budget which provokes regularly the biggest debates in representatives bodies and this is why I envisage that this will also be the case in the future weeks here.

Allow me one more observation about the budget. We know that the present budgetary rules are far from perfect. The distribution of revenues and expenditures among communities, republics, and the federal budget requires a deeper analysis and revision. We do not, however, believe that to meet this just demand it will be necessary to make a condition for the approval of the 1990 budget. The fact is that at issue are such complicated and sensitive questions that, even if we observed all democratic processes, the approval of the final version of the budget will be delayed a great deal and this in turn will prolong the undesirable period of ad hoc measures, which will affect unfavorably both the production and nonproduction area. We therefore ask you to take this reality into account at the time when debating the budget in your committee.

The new budget will be followed by a debate on the draft of further measures aimed at restoring our finances and currency health. This will involve above all a draft procedure for making price adjustments and a detailed specification of our monetary policy for the period ahead, a bill on turnover tax, a bill on the tax on populations' income, and on a revenue tax.

I do not wish to analyze in detail the purpose of these measures, but so that the term price adjustment does not cause alarm, I must at least explain here that this will be a draft of variants on how to proceed this year or as the case may arise from January 1, 1991. Without doubt this will be a proposal on how to prevent on the whole unjustifiable pressures on raising the overall level of wholesale and procurement prices by which industrial, agricultural, and trade organizations will want to improve in an administrative way their economic results. The present price structure, both wholesale and retail, is on the whole unsuitable and we cannot avoid changing it. However, as we have stressed, the government does not regard it as correct to carry out these price adjustments before analyzing the questions of adjusting the whole economy to the market system. The government will discuss a draft of the further course of action in this area and will propose specific measures which will contain price movements which I am going to mention in the further part of my speech.

Our concern will also be to discuss principles of the state antimonopoly policy because the most correct price policy of the state is to encourage competition and protect the genuine market.

The government will also have to concern itself with a number of burdensome sectoral problems. In its plan for the next three months the government has included, among other things, a discussion of the state energy policy, structural changes in the metallurgical and engineering industries, the conversion of armaments problems, the concept of the food policy and the like. Naturally we must not forget the situation in important state enterprises, which have, though often through no fault of their own, encountered marketing and payment problems.

Expert groups are being formed at ministries to analyze the chances of the possible rescue of large enterprises where our resources are not sufficient. Experience of fulfilment of the so-called consolidation programs, however, is not exactly good. It has not contributed toward increasing the ability for self-financing. It was marked by a small degree of involvement of internal reserves and an unbearably high degree of reliance on state enterprises and on help from the outside. When talking about the help to enterprises, we cannot imagine it as unlimited charity. We hope that the consequences of the previous bad decisions were not too harshly born by the working people of the affected enterprises themselves, and only in the second case, and only in quite a limited degree—it [the policy] will involve state participation in the actual economic improvement of enterprises. The overall expression of the economic policy of the government should be represented by a structural and macroeconomic program for the rest of this year and years 1991 and 1992, which will replace the current not too realistic program and developmentally overcome intentions of the 9th five-year plan. Within the framework of this stabilization program, some spheres of highly topical changes will be tackled, above all the introduction of actual attenuation program in the spheres of raw material extraction, ferrous and non-ferrous metallurgy, as well as narrowing down of the current spectrum of engineering and electrical engineering production.

The above-mentioned work has a strategically conceptual character and that is why it must be based on sufficiently deep analyses. These, for example, will result in a draft energy policy and thus in a draft figure for utilization of huge expenditure which must be entered. If one thing is clear today, it is the altogether unacceptable conception of burning brown coal in thermal power stations in the current amounts. Putting into production one block of the Temelin type power station, however, means the possibility immediately of putting aside one thermal power station which burns coal. Our nuclear power stations have been and are constantly subject to demanding security tests, even with foreign participation. The result of this work is altogether positive. We consider this the main and the only important criterion for possible development in the nuclear power field in general. All states with no subsitute power recources are adopting this policy. If and when security is guaranteed, the other ecological and economic advantages fully speak in favor of completing the construction and of building nuclear power stations. These projects are so demanding that the government must have advice on the nuclear program not only from experts, but also from the broad public. It must lean on its view also because it is under a strong pressure from the neighboring countries.

High power requirements will soon be demanded also by the building of neglected transport and communications infrastructure in the country. As an example, I am stating the generally known catastrophic situation of the railways and obsolete telephone network. Talks are currently under way with the Republic of Austria on interlinking motoways near Bratislava, and with the FRG on building the motorway from Prague to Nurenberg. Talks are nearing conclusion concerning the building of a new expedition hall in Ruzyne. Gradually, some ten new border crossings to Austria and both the German states will be put into operation. Vast expenditures will be required on building a public data network and digitalization of communicaitons. Talks are under way with representatives of foreign firms which are interested in building our communications network. Thus it is obvious that, on the other hand, one will have to yet again discuss the inevitability and costs of other large projects, including the expansion of Prague and building of Bratislava metro.

I have already mentioned agriculture in connection with the draft budget. It is in this sphere that one must consistently part with development that does not respect ecological, biological, and often also economic criteria and lays stress solely on the extent of production.

The pressure for reduction of levies and the ineffective marketing of agricultural production must culminate in a reform of the structure of agricultural enterprises. Even if in the past months the agriculture and food complex contributed to the stability of internal conditions with smooth supplies it is not an argument which can be used to continue to justify the expensive and uneconomic production in some agricultural enterprises which are caused to a certain extent by the growing prices of agricultural machinery, fertilizers, and so on.

In March the government will discuss draft amendments to the bills on cooperatives and the use of land and other agricultural property. As well as removing the present obstacles to entrepreneurship and the strengthening of the truly cooperative character of the management of agricultural cooperatives, the most important change in the proposals is the opening up of possibilities of implementing the right to own land. This is a condition for making forms of ownership equal. It must also be taken into account that ten years of interference in the use of land and its organization sometimes make it technically impossible to fully exercise the right of ownership. In

these cases we also intend to enable owners to manage by law. This step is a significant step toward the democratization of village life.

In our relations with CEMA we will continue with the gradual pushing through and realization of such rules of mutual trade which are usual in the developed world. The gradual transition to using world prices and freely convertible currency with mutual accounting will bring the most important consequences. We calculated the costs or earnings such a change will bring in relations with individual states. It is necessary, however, that the same calculations are made in every enterprise and that their nearest future is orientated accordingly. They cannot count on the recovery of losses in exports to the present rouble area for long.

The cardinal problem in the Czechoslovak economy is the pressing need to markedly increase exports for freely convertible currency. We achieved a certain quantitative progress last year but we cannot be content with its qualitative side. Our exports to demanding markets are still based too much on raw materials and production materials. Today's advantageous nature of the export of rolled stock, for example, leads to the fact that in 1990 the enterprise sphere expects it to rise further regardless of the energy and ecological consequences which are caused by such an approach. Furthermore the pre-export rise in the exchange of freely convertible currency does not stimulate exports. For this reason we will make use of directive limitations so that we do not devastate our natural wealth for the benefit of short-term economic advantages. Certain limitations are being set concerning decisive raw materials, production materials, and products, above all by means of export and import licences. This is done by some states which have been implementing a licence policy during decades of a market economy. As we succeed in making use of market principles in creating a balance in resources and needs we will gradually limit and abolish the licence policy.

We must proceed in a similar way in the area of foreign trade activity and foreign economic activity. We wish to create conditions above all in production for the direct participation of producers in sales and purchases abroad using the most varied forms. At the end of January this year, in addition to 52 foreign grade organizations founded by the Federal Ministry of Foreign Trade, 479 economic organizations from other sectors received authorization for direct foreign trade activity. We are preparing a fundamental change which lies in the fact that where production enterprises are concerned instead of complicaed authorization, we will introduce simple registration on the basis of conditions set by law. Despite this, for a certain time we will still have to continue with the authorization of foreign trade activity for those subjects who enter or wish to enter foreign trade activity as dealers or agents. [This is] largely to prevent the unjustified subordination of the interests of the state to those of individual subjects against the interest of the state in a regulated and not completely liberalized national economy.

It is gratifying that the initiative of our own and foreign participants is growing quickly in entering into close trade cooperation, production cooperation, and the founding of joint firms. But the government does not intend to passively note even this stream of healthy initiative. This is because we are aware that our enterprises are often entering a foreign area of complicated agreements into trade which they have not met before. We are therefore initiating the creation of a system of reliable advice including the gathering of objective information about professional foreign partners. We must not only train managers but also experts on international trade law, and financial accounts.

Naturally, an apparently simple way out of today's difficulties would be to borrow for progressive technology, for the construction of more hostels, for the import of consumer goods which we lack, latest equipment for hospitals and so on. At the moment everyone would be pleased to lend to us and we would secure an immediate 10 years of carefree life. But what about afterward. Should we be so kind to our youth and children as to leave them in debt. We have already said many times that we do not wish to get into debt, but it is possible that we do not emphasize enough the danger of such an approach. For example in recent years Poland has paid back more billions of dollars than it borrowed and despite this its foreign debt has practically not changed at all. These are the conditions of giving and paying back loans in the world and that is how economic relations of countries in debt are strangled.

I do not wish to go into the details of the agreements and talks which are taking place at the moment with foreign partners at various levels. I will simply try to illustrate some problems on one example.

A joint enterprise was created between CEDOK [Czechoslovak Travel Bureau] and the Austria firm Warimpex. The company Hotelinvest that emerged was set up to build hotels. It obtained a loan secured by the state to build the Forum Hotel and ordered supplies from the very same company, Warimpex. Already this very fact is startling and moreover the state is the guarantor of the loans so that if the return on the foreign currency is low these will have to be drawn from our common resources. I ask you to take into account the fact that in the present situation the Czechoslovak Government does not regard it at all as a success when our enterprises obtain credits from foreign banks. We declare that anyone who wants to invest in business invests their own money and takes their own responsibility. The government will not guarantee their obligations and the State Bank has the right to veto the acceptance of new large loans.

All measures in the economy should also contribute to the protection of the environment. We shall in the next few months improve the system for gathering and evaluating data about the ecological situation, ensure the most flexible reaction to the occurence of damage caused to the air and waters, and restrict to a minimum permitted exceptions that make it possible to disturb the

environment. The government has approved the introduction of the so-called ecological regulation degree, a declaration which will lead to a temporary restriction on the use of energy and to switching electricity generation in the North Bohemian Region to burning coal of a low sulphuric content of which there is however a shortage in this country.

Only the restructuring of the economy, the lowering of the economy's demand for energy, the introduction of economic tools to protect the environment, and last but not least the updating of the laws concerning ecology will bring about a fundamental improvement of the environment. The limits placed on the consumption of electricity are being lowered already in the current year so that we may discontinue production in some electricity power facilities in North West Bohemia.

The improvement of the state of the environment is an essential condition for securing our biological existence. To ensure the health of the nation is however a wider task. Although the health sector comes under the jurisdiction of the national government its improvement can only be possible through active cooperation between Federal and republican authorities, especially as regards finances. It is apparent that the Czechoslovak health sector will find itself both in the current and future year in a transitional period during which fundamental changes will be carried out in its structure and the forms in which it operates.

Ladies and gentlemen. The federal government has been subjected of late to various pressures which often assume the character of an ultimatum in particular in making wages and social demands without offering anything in return. The government is conscious of the current unsatisfactory state of the level and differentiation of wages and of the growth of problems in the social field, which it has inherited and which is the outcome of the dubious 40-year development of the national economic structure and its low productivity and efficiency. Since it is not possible to change this state at once, wage policy must continue to have an antiinflationary character in accordance with the rules the government has approved. This does not mean that earnings cannot be increased in enterprises provided that growth is underpinned by working results of individuals and collectives and by greater effectiveness in the economic activity of enterprises. The government will examine in March principles of further increasing the powers of enterprises and cooperatives and simplifying regulations in the wages area. I declare however with entire responsibility that given the present state of our economy, if we begin to retreat before sectional pressures and if we make economic conditions even more soft for enterprises, we shall then very soon reach bankruptcy. Such a government would be popular perhaps for a year or two but in the end the public would have to curse it.

I therefore say very emphatically: We have nothing to give away. We do not want to fall into debt and we realize that to print money not underpinned by goods will endanger any economy by the deadly growth of inflation. Let us realize who would benefit if we carried out an irresponsible policy and if we threw money away irresponsibly—only the forces to whom the process of democratic renewal is a thorn in their flesh.

It is natural that in the area of the transition to the market economy our nation is interested most in the questions of social guarantees and the provision for cultural needs. I have already received thousands of letters full of questions, justified and unjustified worries as well as warnings.

We know that the population has considerable expectations, but there is also uncertainty. It is true that the members of the government have several times acquainted experts, as well as foreign partners, with the Czechoslovak conception of reforms. The result is that currently the world assesses altogether soberly and with consideration the approaches of the federal government. On the other hand, we have perhaps done little to explain our social and economic concept to the broad public. This underestimation is one of the sources of unjustified guesswork and rumors. The basic principle of our policy in this sphere is clear. We want to be a socially orientated state. In the modern world nobody can make claims to the credit of a humanist if he is not concerned with safeguarding an honorable life for the people. The actualization of this thesis, however, is and will be different than it has been so far in a democratic society with a market economy. The undesirable heritage of the past includes also the fact that people got out of the habit of bearing responsibility for their own lives and fates, and they demand from the state what should be the result of their own endeavors.

To change the present economy to new relations of market economy is an extremely complicated task. We do not want unnecessary social tension, growing inflation, and mass unemployment to occur. We will not achieve this by means of impatient recklessness, albeit wrapped up in petty radical slogans. That is why the government rejected any hasty ideas of a price shock in the form of doing away with the negative turnover tax and unilateral increases of prices of goods, power, and rents in state flats and passenger transport. However, we are convinced that the government must gradually embark upon this increase. At the same time, however, it will be connected with the reduction of prices of other goods; above all, of industrial produce, where we raise a heavy turnover tax, but also with certain forms of financial compensations, which will lead toward a change in a price structure not taking place at the expense of the population.

The measures concerning prices must always be connected with a sensitive social policy. The economically best strata of the population must share, above all, in the even distribution of the social burden connected with the inevitable adjustment of prices and taxes. There is a whole group of social measures which will affect all strata of the population. The draft amendments to the labor

code will come to an end in May and, next to the necessary projection of international obligations of our Republic, they will react to the birth of new labor and legal relations. We had the intention to anchor in the labor code a general extension of leave by one week. The economic results of the past months, however, are putting into question the possibility of this change. If the economic decline cannot be reversed we will not have what it takes to extend leave. Any possible strike will move us away from this aim.

The general social rules include the completed legal adjustments to the security of employees in organizational changes and for citizens prior to their taking up employment. The draft new law on employment guidance is supplemented by the right to work, right to material security in case of temporary loss of employment in the case of the citizens who want and can work and are seeking employment. The state budget has a purposeful reserve to allow the birth of socially desirable labor opportunities.

The government reacted also to the problems which temporarily arose from the higher influx to the labor force. Cutting short military service, amnesty, and reduction in the numbers of employees of the political apparatus caused, instead of the originally envisaged 40,000, an increase [in the labor force] this year of about 100,000 productive employees. The appropriate decree takes care of their social security. About 20,000 people seeking work were registered in our country in the beginning of February. However, the above-mentioned information is merely tentative because at the moment unified methodology of this registration for the Czech Socialist Republic and Slovak Socialist Republic is being completed. It is therefore not possible to say unequivocally that these are the [figures for the] unemployed. Principles of new legislative amendments to employing foreign citizens in Czechoslovak enterprises and for the work of Czechoslovak citizens abroad are being prepared so that they may be in harmony with the general declaration of human rights. It is on this basis that their contribution, designed to cover the social expenditure paid for by the state, is being set out. Realistic fulfilment of these rules, however, requires much more to be done to complete the system of requalification and safeguarding the possibility of freer movement of people seeking work, connected to new housing policy. All these questions will be discussed by the government in March.

The concept of a new housing policy will be discussed by the government in April. It will aim at doing away with unjustified differences in costs of housing in the individual forms of housing construction. We want to put economic pressure on more efficient utilization of communal flats and to answer questions concerning sales of state flats to private ownership. The socially oriented state, however, is, among the aforementioned measures, obliged to guarantee the basic needs of the groups which, for objective reasons, are incapable of looking after themselves. A commission of independent experts was set up at the Federal Ministry of Labor and Social Affairs which should set out criteria of limiting the living minimum.

It is a very important piece of information for the government to find out that probably several hundred thousand persons live below this minimum in our country. Therefore, we consider it necessary to analyze in detail their situation and to give preferential treatment to the above socially weak ones.

There is a lot of work in the entire sphere of incomes. The solution of inherited problems cannot be postponed if only because they directly concern the lives of three and a half million citizens of this country. What is involved is, above all, putting things right in delimiting the lowest incomes, doing away with differences between incomes in various periods, and finishing verification on personal incomes. Of basic significance will be the system of regular adjustments to incomes linked to the growth of living expenses which will be assessed by the government in April. We also realize the fact that following increases in rents in state flats, living expenses will represent a substantial part of expenditure. Therefore, we want to use a part of the funds gained by increasing communal rents to help the social groups who will be most affected by this increase. The overall conception of the reform of social security will be submitted to the government in June.

Esteemed deputies, I should like to assure you that we will report to the public on all that we are preparing in the social sphere. Any substantial measures will be prepared in a broad democratic discussion because people must be won over again and again for social and economic reforms and an atmosphere of trust in the future must be created. I discussed many of these questions recently at a meeting with representatives of the newly emerging trade unions.

Although the stream of unrealizable demands has slackened markedly since that time, it still exists, whether it concerns wage increases, inclusions in preferential work categories, or even retirements. Under the threat of strike by certain groups of working people, the government is unable to solve the tasks of dynamic growth of the standard of living of all. We know for example that miners and other professions work in an environment harmful to their health. However, our philosophy must be to improve the work environment, to set norms determining the period over which they are allowed to work in an environment harmful to health. In brief, we must take care of our people's health. This must be done first and foremost by means of prevention, because no sum of money can compensate for the loss of health. This, however, does not mean that the government ceases to focus upon those groups of our working people whose health has been broken by working in harmful environment. It must find the means to compensate for this state of affairs. The large number of unrealizable demands (?are the result) of the youth and immaturity of

our democracy is a levy for the preceding forcible suppression of people's natural demands.

We are now facing the task of establishing creative cooperation between the government, enterpreneurs, and trade unions, in the course of which we shall teach each other a higher degree of social responsibility and better understanding of social reality. And this will not be a painless process for any part of this triangle.

Esteemed Federal Assembly, following social and economic problems, the most important task of the government of national understanding is to contribute to the preparation for free elections. I do not intend to speak now about fulfilling individual obligations in the legislative sphere, undertaken by us in this respect in December. Preparation of new laws is a part of our joint work and the public is informed about progress in the direction which we outlined. In this context I would like to point out one thing. First of all, I would like to thank you for your truly fruitful cooperation with the government. The responsible, critical, and on the whole independent approach of you, the deputies, in discussing drafts of news laws, is not only the guarantee of the quality of adopted legislative norms. It also forms new attitudes toward legislative and executive powers, which are so important for a democratic political system. And this is the deed which we target far beyond the horizon of the next free elections. Thus arises the lasting certainty that our laws are filled with humanitarian conception of the law and nobody will doubt Czechoslovakia's belonging to the family of law-governed states.

A new political system is evolving in our country. We do not profess to present something absolutely original to the world. On the contrary, we intend to draw lessons from the experiences of developed democracies abroad and to follow the traditions of the first republic and the pre-February period after World War II. However, we are not overestimating the significance of experience and traditions. There are a lot of things we do not know, we have forgotten much and much has changed in the world since the time of President Tomas Garrique Masaryk. We are standing on the threshold of forming a civic society with democratic political culture, which will adopt from abroad everything that is valuable but which will bear Czech and Slovak national features, too. All of us now are laying down the foundation of this new building, irrespective of the fact that this might be done at the round table, in the legislature, in the government, in the trade unions, or in one's work place. However, the whole construction will be completed only after several years. Dozens of new political parties, which claim state subsidy, facilities for their secretariats, newsprint, and time on radio and television. We want to help all, but the degree of this help can be justly provided only on the basis of the real support enjoyed by these parties in society. The government envisages that it will partially finance the newly rising political system from the federal budget.

Freedom of individual conscience and freedom of information are the prerequisites of any democratic political system. The abolition of the constitutional article on the CPCZ's leading role and the gradual amendments of legislative and sublegislative norms are in this respect opening a scope for ensuring these freedoms by the law. But already today, the transformations in the sphere of education, culture, and information policy indicate in which direction we wish to proceed.

The preparedness of the population for joining a modern democratic society is given, apart from other things, also by the standard of culture and by the state of the education system. The culture of citizens represents a high value for the development of society. We would be pleased if during the celebrations of the 400th anniversary of Jan Amos Komensky's birth, our country could boast more cheerful data than that noted in the beginning of my speech. As early as March the federal government will discuss the questions related to solving material and technical provisions for the education system. However, already today it is possible to say that some higher education establishments will have to supplement their budget by marketing the results of their research and other activity, as is the case in other advanced countries. We announce on this occasion that we do not want the present research and development base to dissipate. However, each place of work will have to prove its own legitimate existence in the harsh conditions valid for the enterprises.

The Czechoslovak Academy of Sciences is facing similar tasks, too. Strict rationalization of work must turn today's top institutes into norms for the work of those who are also working in this field. Fundamental research should concentrate on the work of unexplored problems or on the position of the world pinnacle. The linkage between schools and fundamental research, the steady influx of talents from higher education establishments to specialized work places equipped with the latest technology, and the participation of the best research teams from academic institutions in the teaching and research at higher education establishments must be the matter of course.

The new draft law on higher education establishments will be drawn in the next few days. In April we intend to finalize the amendment of the law on the primary and secondary school system, which should tackle the questions of duration of compulsory schooling, functions of secondary vocational training establishments, problems of grammer schools, text book publishing, and so on.

The remedy of deformations in the relationship between state, churches, and believers is of special significance. Legislative amendments have abolished the duty of taking oaths and the need for state consent for the conduct of clerical services. Thus, a fundamental step on the path of new relations between churches and the state has been made. The draft of the principles of the law on freedom of religious belief and on religious societies is, with the participation of the representatives of churches,

being prepared for March. Together with the republican bodies, work on reorganization of religious education is in progress. The posts of secretaries for religious affairs have been abolished on all levels of state administration. Intensive talks with the churches, in particular with the representatives of holy orders, on returning church property are under way. It proceeds from the course of these talks that the representatives of particular orders intend to surrender those ownership rights which are not directly related with the renewal of the activity of the orders. These are mainly fields, forests, or production units.

The April visit of Pope John Paul II to Czechoslovakia, who will arrive at the invitation of Mr. President and Mr. Cardinal Tomasek, will be an important event, in particular for the life and work of the Roman Catholic Church.

Culture enjoys outstanding conditions for unprecedented development in the new political situation. The unlimited creative freedom, for which our artists no longer have to fear, creates a prerequisite for the prosperity of top level arts and for the growth of the general cultural standard of our peoples. The state will not interfere in questions concerning the direction of work prefered by creative artists in carrying out their role. It must, however, be said that a considerable number of people are active in culture today, while the state subsidizes them by almost 70,000 korunas per year.

In comparison with 1980 these levies have increased by more than one third. Because we are not of the opinion that culture should become completely commercialized, we must require greater responsibility when spending the funds made available. Also in this area incomes must be based much more than up to now on the evaluation of the public when selling cultural works of all types, just as elsewhere in the world. It is clear, however, that the democratic state will support quality forms of culture and art. We must ensure, however, that this money gets into the hands of those for whom it is truly intended.

Perhaps the largest number of problems in connection with management are begining to appear in so-called local culture. The activity of the club facilities and even libraries is threatened. On the contrary the solution to some problems is already being outlined in the area of the often discussed cinematography. On the basis of talks with the newly constituted artists association and the ministries of the republics it was decided to abolish the Central Directorate of Czechoslovak Film by 31 December this year. Film enterprises which act on Czech territory will be taken into the sphere of influence of the republic in the same way as has taken place in Slovakia. They will then together form a small federal coordination organ. In May the federal government will concern itself with a comprehensive solution to questions of culture—that is, their effective economic management and material and technical base of theatres, concert halls, museums galleries, and historic sites. This month we will discuss proposals concerning cinematography and also television and radio.

It is absurd to talk of modern democratic society and not see that at the same time it concerns a society of information. Information is becoming a dimension of human freedom and also of its economic success. Among the foremost tasks of the government is to help create a foundation securing the fast flow of information, its effective processing and accessibility for users which would at the same time be in contact with world centers of creation or concentration of information. One of the important dimensions of this task are good conditions for the work of the media. Their activity is particularly sensitive especially in the present pre-election period. State media in particular must become an example of democratic journalism of high moral quality. With regard to the importance of this task, the president of the Republic has appointed a minister who will be concerned with the whole of this area.

As you know the work of the Federal Office for Press and Information was and is for a number of reasons justifiably criticized. It has become insupportable for this office to continue in existence in its old form. For this reason we will put forward a draft bill which will abolish this office. We will propose that a federal committee for media and information is created, represented within which will be the state media, important cultural personalities, journalists, and the independent press. Together with the minister of the government it will then put forward a new conception of media policy in Czechoslovakia.

An unavoidable condition for the improvement of the quality of the work of state media, television, radio and CTK, is reorganization. It is already certain today that reorganization will have to take place in several stages. It will be necessary to secure the federalization of the state media with exact delineation of the role of the central and republican leadership of television, radio, and CTK. With this intention, draft legal regulations concerning the media are urgently being prepared. Reorganization must, however, contribute both to greater efficiency of work and to solving a serious personnel situation. It is true that in developed countries the work of one television channel is done by about 2,000 employees—in our country by 5,000. The correction of this situation, however, demands not only knowledge of abstract figures but most importantly a concrete idea about new organization and management including practical knowledge of the ability of every individual to withstand the new demands. What it certainly does not need is unnecessary emotion. We can all learn from the new approach.

It is necessary to restore authenticity of state communication media and to safeguard the broadcasting of valuable programs. Objective information and highly professional commentary must become a matter of course. Publishing of periodicals was marked by stormy development. In the past three months, approximately 70 new

titles of various content and aims appeared. Publishing of other periodicals is being prepared. One can honestly note that in this sphere there are no political or social restrictions. However, it is necessary as soon as possible to amend the press bill, and to submit for approval the law on mass communication media so that private persons can own and publish periodicals and so that possibilities to publish them might become more public and easier.

The government is trying to make the situation easier for newly emerging publishing houses which have roots in the period of the so-called samizdat and which spelled the beginning of revolutionary changes in our country. We shall ask for possibilities as to how efficiently to do away with their unequal position, above all, in material and financial security. The appropriate state organs also register demands of organizations and private persons from abroad to set up new television and radio stations in Czechoslovakia. In tackling these questions, the government bases itself on the principle that the range of transmission wavelengths for television and radio broadcasts which is at the disposal of Czechoslovakia, is limited and one must treat it as national property.

Today, above all, we must safeguard the right of our citizens to enter the communications media and make it possible to establish independent communications media. On behalf of communications media, however, I must say that they must be aware of the high degree of responsibility in using such exceptionally significant instruments in influencing the public such as the press. For example, if no paper publishes full text of the government's principles of social economic policy, delivered to the representatives of new trade unions, our citizens will not receive full information on the intentions of the government in such a significant sphere.

Esteemed Federal Assembly, in the transition of our society to a democratic political regime, naturally, a great part of the attention of the government and the public is devoted to the questions of work of the National Security Corps, Prosecution, and the Army—it is not devoted to the problems of courts, because it must be discussed by the appropriate judicial organs and legislative corps independently. What is involved is no cheap search for sensation or settling accounts. The truth is that parts of these components were the main pillars of the totalitarian system. Linked with the changes in the Constitution and statements of the government, political activity in these bodies was halted. In all the abovementioned departments, conditions were created for political and labor rehabilitation of former employees, persecuted in 1948-1989 for their convictions. Both the Federal Ministry of the Interior and the Prosecution and the Army are becoming parts of the state administration and are based on democratic principles in their activity.

At the same time, our policy is such that during the necessary organizational cadre and technical changes, these components should not lose active ability, which is the inevitable condition of the functioning of the state. Within the framework of the Federal Ministry of the Interior, any activity of a politically repressive character was stopped. All the components of the former state security were abolished, effective as of 31 January 1990. Employees of public security were appointed in the posts of chiefs of district and regional administration of the National Security Corps. The former members of state security have been suspended. Both service and private weapons have been taken away from them, and also service cards. Various commissions are scrutinizing the moral and expert capability of these employees. They are investigating who actually infringed upon the laws or acted in contradiction with the principles of the news ethics and will decide who is capable or incapable of further service. Prior to the final confirmation of the decision of the commissions to the apropriate chiefs, the civic commission must voice its agreement with the conclusions of the expert commission, which is composed of representatives of the main political Parties, Civic Forum or Public Against Violence.

In reorganizing the Federal Ministry of the Interior, new bodies have been set up in the middle of January, including the Office of the Federal Ministry of the Interior for the Protection of the Constitution and Democracy and the Information Service of the Federal Ministry of the Interior. All these bodies are constructed in such a way as to exclude infringement upon human rights by the state. Internal control mechanisms are merging, with the participation of deputies, of defense and security committees of the Federal Assembly, and representatives of the public. New legal adjustments to the work of the Public Security Corps are under way involving independent laws on information service, on the police, and on the use of technical media reporting. At the same time, as an interim to the adoption of new legal amendments, use of technical media reporting was halted, including tapping telephone calls, except by authorization of the minister and his deputies under the prosecutor general, and only in exceptional cases of investigation of important criminal activity.

Courses of fundamental legal and expert security training for performance of duty are under way. At the same time, the entire system of training and selecting employees of the security apparatus is under way with the aim of making much greater use of universities of humanitarian and technical character with substantial reduction of the apparatus of departmental education.

A number of further unilateral and [word indistinct] measures was further adopted in the department of the Federal Ministry of the Interior. It has been decided to eliminate short-barrel firearms in cases when legal reasons for their possession terminated. About 80 percent of legally possessed weapons were handed over by the set deadline. The remaining cases, including reassessment of possession of hunting weapons, will be solved following the adoption of the amendment to the bill on firearms and ammunition. Out of [word indistinct] tasks I can state speedy involvement in international cooperation

with security corps of other states, in harmony with the new foreign political orientation of our state.

An important role for all those who strive for a gradual transition toward democratic administration of public affairs is played by the support of the work of the public and prosection in this transitional period. The truth is that following stabilization of criminality in the past year, we have been marking in the past three months the growth of unfavorable trends. Particularly disturbing is the growth in the number of thefts of all kinds, above all by means of violent burglaries. The unfavorable situation in apprehending these criminals cannot be improved. There are also a large number of attacks on the life and health of citizens, some with very serious consequences.

The fact that the revolutionary process in our country has outrun the creation of legal norms has resulted in a paradoxical situation. We are striving for a legal character for our state at a time when many laws do not fulfil the demands of humanitarian understanding of the law. The prosecution sees to it that no one is unlawfully prosecuted for deeds which, true, contradict some laws in the political sphere or regulations in the economic sphere, but are in harmony with international guarantees of human rights and the newly emerging social relations. In connection with amendments to the criminal code, the government will submit to the Federal Assembly a variant proposal whether to preserve or abolish capital punishment.

An important role, being implemented by the CSSR Prosecution Office at the moment, is played by the legal rehabilitation of persons unjustly sentenced in the period from 25 February 1948 to 1 January 1990. The organs of the prosecution are dealing with submissions of the appropriate proposals to the courts according to the currently valid regulations, and thus are creating conditions for implementing the prepared law on court rehabilitation.

The most important tasks, on which the attention of the Prosecution Office is being concentrated at the moment, include investigations of the events of the 17 November 1989 and investigations of the statements by sentenced persons on the illegal methods used by the members of the corps of corrective education in prisons. The prosecution is paying special attention to rectifying breaches of the law which occurred both in the criminal as well as administrative [words indistinct] civic activities in connection with demonstrations of citizens not only in Prague, but also in other cities and towns of the Republic. The prosecution started to tackle them in order to make possible rehabilitation of those who were unjustly prosecuted for their attitudes, through which they implemented their civic rights.

Democratic transformations are also taking place in our Army. At the beginning of January, the political apparatus of the Czechoslovak People's Army was abolished, as well as Marxist-Leninist training and the military-political academy. At the same time, new organs of education and culture have been set up. It is their task to develop training of soldiers in the spirit of humanism, patriotism, democracy, and the results of science. A Military Pedagogic Advanced College for their training has been established. A legal service was introduced in the Army as a system of consultative organs of commanders. Conditions should thus be safeguarded for adherence to legality in the Czechoslovak People's Army.

Space has been created for the work of the Military Revival Association. At yesterday's session the government approved a draft amendment to the Defense bill which among other things includes the reduction of military service to 18 months, a draft bill on civilian service and the draft for a change in the military and service oaths for members of the National Security Corps and the Prison Officer Corps. Within the framework of these measures a proposal was worked out for the extension of leave for national service soldiers.

In an attempt to contribute to the maximum possible extent to solving the national economic problems we have adopted measures representing a further reduction in government defense spending planned for this year by 10 per cent. In contrast to original intentions about 90,000 reservist soldiers will not be called up for military exercises this year, which represents a saving of about two million working days. When securing the main tasks a new approach to the fulfilment of service duties is gradually being implemented in the Czechoslovak People's Army under the unequivocal direction from the federal government and the president of the Czechoslovak Socialist Republic as the supreme commander of the Armed Forces. The Army has become one of the pillars of democracy in our state. Despite this, recently attacks have appeared against the Czechoslovak Army, in particular against activity in military areas and at military airports. Unjustified demands against the property of the army are taking place, and national committees are refusing to allocate flats to soldiers. In connection with the amendment of the Defense bill emotions were fanned among national service soldiers. The government does not consider this to be right.

The Czechoslovak Army is a reliable army which is at present still necessary and any unjustified attacks against it and discrimination against professional soldiers do not contribute to the stability of society. Rather to the contrary.

Ladies and gentlemen, the basic task of the government in the foreign politics field is to set out and defend the national interests of Czechoslovakia amid a changing international situation. While fulfilling this task we rely on certain basic points of departure. We are fulfilling obligations we have adopted, we are striving to create an all-European society of equal states without blocks and alliances standing against each other. We are markedly activating our relations with our immediate neighbors

and we are entering into or renewing contacts with all countries which have a relationship with our republic.

Since the creation of the government of national understanding, the intensity of our foreign political activity has grown in an unprecedented way. It is true, however, that the experiences we have gained have somewhat amended our optimism as far as our visions on the speed of creation of a united Europe are concerned. Today we know that our membership of the EC in the near future is not probable, but we are clearly demonstrating that we are striving for it in the future. We are looking for an effective way of becoming a member of the EC. We have also expressed interest in other institutions of an all-European character, and first and foremost we have requested membership to the Council of Europe.

Meanwhile we wish to cooperate more in regional projects which can contribute to future all-European integration. One project in which we wish to participate, and we have made first steps toward this, is cooperation with Italy, Austria, Hungary, and Yugoslavia in the fields of transport, telecommunications, the environment, support for small business, and culture.

The start of talks with the Soviet Union about the withdrawal of Soviet forces from our territory was of fundamental importance for securing the sovereignty of Czechoslovakia. As you know an agreement was signed yesterday between the governments of the CSSR and the USSR by which the Soviet Union will withdraw its units from our territory by 30 June 1991. For whole decades this question was a burden on our mutual relations. The visits by President Vaclav Havel to the United States of America and the Soviet Union have opened a whole new chapter in cooperation with the superpowers, and on a basis of equality, also.

We are preparing proposals for restructuring the Warsaw Pact Treaty. We also wish to contribute in this way to the deepening of the Helsinki process. We hope that with our active participation an agreement will be reached this year at the meeting of the highest representatives of Conference on Security and Cooperation in Europe member states on conventional disarmament in Europe.

The changes in Eastern Europe have markedly influenced historical development. This is among other things also confirmed by the fact that the world has suddenly found itself faced with the problem of the unification of both German states. We expressed our conviction that we will respect the efforts of the Germans for self-determination. We desire, however, that this process should take place together with a withdrawal of military and political blocks from the European scene. We do not think that a future united Germany should be a cause of instability in Europe. We see in European economic, political, and social integration the best guarantees that controversial problems in Europe will not spill over into an open conflict which anyone would want to solve by force.

We are pleased that a great shift in the direction of understanding with the FRG and Austria has taken place during the period of office of the government of national understanding. The cutting of wire fences on joint frontiers was a symbol of determination to begin a new stage of history. Further possibilities for economic, political, and tourist contacts have opened up. We have signed an agreement with Austria on visa-free travel and in the very near future we would also like to simplify visa procedures with other states of Europe.

The realization of the idea of Central European regional cooperation, which the president of the republic spoke about during his visits to Poland and Hungary, will no doubt be of stimulating significance for further development of relations in Central Europe.

We have had a number of bilateral talks, we have asked the United States of America to once again give us most favoured nation status, and our request should be granted soon. We have revived bilateral talks with Italy, France, Australia, Sweden, Holland, Belgium, and Canada. We have made progress in cultural, scientific and educational contacts with a number of countries. Entry into diplomatic relations with the Holy See has been prepared, and contacts with Israel were renewed. We are proceeding in the same way in the case of the Republic of Korea and Chile.

Esteemed deputies, on 17 November last year we set out on a path which freed the people from the rule of totalitarianism, and I hope also from petty party arguments or fanatical arguments about whether we are faced with the task of returning to capitalism or of perfecting socialism.

Our goal is not to manipulate a person so much that he goes to the garrison frontiers of ideological dogma. On the contrary our ambition is to do everything so that the structures of society conform to the natural creativity and enterprise of man. We are not concerned with fulfiling plans set out by the administration and centrally enforced, but about the quality of life of every individual. We wish to renew the democracy and prosperity of our state on the basis of full use of the market economy because we think that democracy and the market are mutually dependent and developing. We know that the way forward does not lead to the immediate good life of all. We wish to do everything, however, to ensure that the greatest number of people can enjoy the greatest number of gains of civilization in this state. We are convinced that all people should have the possibility of a dignified life given by the certainties of a modern social-legal state.

We want a republic in which we can all live well. We know that for this we need clean nature and tidy towns and villages. We strive to ensure that a person visiting a doctor is dealt with respect and responsibility, so that he becomes a patient about whose health and family the doctor is well informed. We strive to ensure that our people are not robbed when they go shopping and do not

have to bribe anyone. To put it simply we want to, and must renew the good quality of ordinary things and services. We must do everything, however, to ensure that our people need not be envious of the world. It is up to all of us to contribute to our citizens becoming good patriots so that during visits to even the most developed countries they feel themselves to be in a world of equals. Thank you. [applause]

Appeals for Patience

LD2802174690 Prague Domestic Service in Slovak 1227 GMT 28 Feb 90

[Speech by Premier Marian Calfa at the Federal Assembly session in Prague—live]

[Text] Esteemed deputies: I have asked to speak, in effect, in the middle of your discussion because I have other duties this afternoon right through to late evening which make it impossible for me to participate in the Federal Assembly session. I would like to ask you to excuse my absence from the afternoon session.

As far as the course of the discussion is concerned, I am following it very carefully and all members of the government are following it very carefully. I have the impression, and this is an impression half-way through the discussion, that the Federal Assembly and its deputies understand very throughly what we wanted to tell them in our relatively extensive report, both as far as the evaluation of the state of our economy is concerned, how we see it at the end of February 1990, and concerning how we envisage further steps in this first half of the year, this year and future years, so that we achieve our goal, that is a democratic state, and in the economy, a market mechanism in the national economy. Individual questions will be answered by individual members of the government, the first deputy premier of the federal government, Mr. Komarek will reply on the underlying philosophy.

I want to make two points. The report which I read to you has 61 pages, which have been made available to you. Originally it was more detailed and the first version was twice as long. When we tried it out to find the length of the delivery it worked out at roughly four hours. We were of the opinion that it was not possible. For this reason some parts of this report were shortened, and naturally in that short space of time the situation that arose was that a number of deputies did not receive replies to the questions which they put. Simply, the problem of the functioning of the state in all areas, not only as far as the economy is concerned, is so extensive that it is impossible to exhaustively cover it in one report. I promised that as far as the development of the national economy for 1989 and the first quarter of 1990 is concerned, we will inform you independently by the end of April. Undoubtedly, we will be returning to other concrete areas of the functions of the state in discussions at other plenums and in committees of the Federal Assembly and possibly on other occasions.

For this reason, I will ask for understanding if it seems to you that some things are not covered sufficiently, or are not sufficiently concrete, or you do not find answers to them. We compiled it in such a way as to give a basic idea on how we evaluate the situation and how we see the future.

The second point is a little bit of an expression of sadness over the fact that during the 80 days of its work, the government has given an opportunity for such an evaluation as we heard from your colleague, that there is a certain suspicion that we are just playing around, and that we are just concerned with getting to some election of deputies, so to speak. I can assure you that that is not the case, and I would be really happy if this was only an isolated view. Because if the government is giving such a picture, then it is not the sort of government which I would like to lead, and it is not a government which should appear in front of this Federal Assembly at this time.

We are faced with a huge number of questions, some are being asked on a general level, some are being asked in quite a factual manner, some are asked with curiosity, some are being asked as an ultimatum. The government thus has a lot of work to do and it truly works uninterruptedly. I do not want to acquaint you with the full activity of the government, but truly, there are no weekends, no holidays, nothing, in this situation. Naturally, we have no reply to a number of questions. I am saying quite sincerely: We simply to not know how to reply. I said clearly in my report that this is a certain historical experiment, that we are working without a precedent. Thus it can happen that something will work out perfectly, something will not work out at all, something will have to be corrected in the course of the times. That is why I should like to ask you for understanding of this situation in addition to the fact that, naturally, all the members of the government can be approached by the deputies of the federal government and by he who has certain doubts, who has certain proposals, who has certain ideas, who wants (?to communicate certain reports) about the region that he stands for; the members of the government are at his disposal and if they agree on actual mutual contacts. We will strive to reply according to our best conscience, if we know these replies. If we do not know them, we will honestly say that we do know them and will have a mutual consultation to seek answers to these questions.

I will not delay your deliberations; I said what I truly considered necessary before my departure. Thank you for the discussion as well as for your comments. Members of the government will now attempt to answer some of your questions whether orally or in writing as we have agreed. Thank you. [applause]

Mosbacher: 'Great Progress' in Economic Talks

AU0103154190 Bratislava PRAVDA in Slovak 27 Feb 90 p 2

[CTK report: "On Economic Cooperation"]

[Text] Prague— U.S. Secretary of Commerce Robert Mosbacher stated during his talks with Czechoslovakia's First Deputy Premier Valtr Komarek, held yesterday in Prague, that great progress has been made in preparation of agreements which will facilitate a substantial development of economic relations between the United States and Czechoslovakia. Secretary Mosbacher also met with Federal Finance Minister Vaclav Klaus and Minister of Foreign Trade Andrej Barcak. In general, the U.S. guest positively assessed the initial position from which Czechoslovakia desires to embark on the market economy, in view of the relatively low foreign debt, the level of the productivity of labor, and the absence of dangerous inflationary phenomena. Valtr Komarek drew attention to the fact that the hitherto Czechoslovak-U.S. trade on the order of hundred million dollars does not correspond to the present needs. Multiples, not percentage increments, are needed. R. Mosbacher described these plans as feasible and interesting. A result of the meeting was the proposal to form either a joint bank or other such center which would provide the Czech and U.S. partners with regular and dependable information on business opportunities on the other side. At the news conference, Secretary Mosbacher expressed an opinion that the previously low mutual trade level will develop in great leaps. This, however, will above all be the task of the private sector. According to the complementary information by Minister Barcak, a growth in trade greater than $30-50 million cannot be expected this year, even if the U.S. side grants [Czechoslovakia] most-favored-nation status. Its bestowal must be preceded by the conclusion of the trade agreement, as well as a debate in the private sector and the U.S. Congress.

'Text' of Joint Soviet Troop Withdrawal Accord

AU0103153290 Prague RUDE PRAVO in Czech 28 Feb 90 p 14

[CTK report: "Text of the Agreement on Troop Withdrawal"]

[Text] Moscow—On 26 February, an agreement was signed between the Government of the Czechoslovak Socialist Republic and the Government of the Union of Soviet Socialist Republics on the withdrawal of Soviet troops from the territory of the Czechoslovak Socialist Republic. The document, which was signed by Jiri Dienstbier and Eduard Shevardnadze, the foreign ministers of the two countries, contains the following:

The Government of the Czechoslovak Socialist Republic and the Government of the Union of Soviet Socialist Republics,
taking into consideration the statement issued by the Czechoslovak Government on 3 December 1989, and the statement issued by the Soviet Government on 4 December 1989, including their legal aspects,
motivated by an attempt to develop traditional friendship and cooperation between the Czechoslovak Socialist Republic and the Union of Soviet Socialist Republics while thoroughly adhering to the principles of international law enshrined in the UN Charter, including the principles of respect for sovereignty and non-interference in internal affairs,
confirming their firm resolve to comprehensively assist in the strengthening of peace, stability, and security in Europe and throughout the world,
and expressing their desire to adhere to the undertakings resulting from the Warsaw Pact Treaty on Friendship, Cooperation, and Mutual Assistance of 14 May 1955,
have agreed to the following:

Article 1
1. The complete withdrawal of Soviet troops from the territory of the Czechoslovak Socialist Republic will take place in stages; the first stage will be completed by 31 May 1990, the second stage by 31 December 1990, and the third stage by 30 June 1991.
2. During the first stage, the withdrawal of a substantial part of the Soviet troops will be completed in harmony with the jointly drafted timetable.

Article 2
The Government of the Czechoslovak Socialist Republic will provide the Soviet side with the necessary cooperation during the withdrawal of Soviet troops from the territory of the Czechoslovak Socialist Republic.

Article 3
During the period prior to the complete withdrawal of Soviet troops from the territory of the Czechoslovak Socialist Republic, the principles in existence when this agreement was reached—including property, financial, and other issues—with regard to appropriate changes in conditions for the mutual settling of accounts and mutual payments, will apply to these troops.

Article 4
The sides will appoint commissioners for matters connected with the withdrawal of Soviet troops who will resolve practical issues resulting from the implementation of the appropriate stipulations of this agreement.

Article 5
Property and financial issues occurring in connection with the withdrawal of Soviet troops will be considered by the commissioners for matters connected with the withdrawal of Soviet troops, and will be resolved by agreements between the appropriate ministries of the Czechoslovak Socialist Republic and the Union of Soviet Socialist Republics.

Article 6
Property and financial issues associated with Soviet troops in the Czechoslovak Socialist Republic, not revised prior to the period of their complete withdrawal, will be dealt with by a special agreement between the

sides, by an agreement that will be reached no later than two years from the date that this agreement becomes valid.

Article 7
This agreement is valid from the date it is signed.

Zacharias on USSR Joint Exercises

LD0103180490 Prague CTK in English 1707 GMT 1 Mar 90

[Text] Prague March 1 (CTK)—The joint exercises "Druzba 90" (Friendship 90) started in the vicinity of Zatec, North Bohemia, today, attended by 5,000 Czechoslovak People's Army soldiers and more than 1,200 Soviet soldiers deployed in Czechoslovakia, commander of the Western Military Zone Colonel-General Mojmir Zacharias, who is in charge of the exercises, told CTK today.

Answering the question why Soviet soldiers also take part in the event, Zacharias said that these exercises were planned a year in advance. Their schedule was specified last January and was then approved by Czechoslovak President Vaclav Havel.

Zacharias said that since Czechoslovakia is a member state of the Warsaw Treaty it must practise joint actions with other armies.

Responding to the question whether similar exercises are necessary under present conditions, General Zacharias said that "Druzba 90" are one of the smallest exercises held in the past years and pointed out that NATO countries held similar exercises last January. 70,000 soldiers took part in them, he added.

The exercises will end on Sunday morning.

Havel USSR Visit 'Fresh Start' in Relations

AU0103181790 Prague RUDE PRAVO in Czech 28 Feb 90 p 1

[Vaclav Bervida commentary: "A Fresh Start"]

[Text] We agreed that the best method for coming to terms with history is to look to the future. Czechoslovak President Vaclav Havel made this statement to journalists in Moscow the evening on 26 February in reference to his talks with Mikhail Gorbachev and to the signed documents. In effect, he was summarizing the outcome of his visit to the USSR: Czechoslovak-Soviet relations have been provided with a new beginning.

The changes that have taken place in Czechoslovakia since 17 November 1989 have also provided the incentive for a reappraisal and clarification of the CSSR's attitudes toward other countries both near and far. The USSR had, has, and will continue to have a vitally important place among Czechoslovakia's neighbors and partners for a whole number of reasons. However, the issue mainly involves partnership. For many years our mutual relationship was burdened and distorted by Stalinism, by the Brezhnev doctrine of limited sovereignty, and by its numerous practical manifestations—including the presence of Soviet troops on our territory.

After the start of the complicated, difficult, and—in many ways—even painful process of restructuring and democratization in the USSR, a process which could not go unreflected in the other Warsaw Pact states, the Czechoslovak leadership procrastinated with democratic reforms and, in the eyes of our citizens, poisoned our country's relationship toward the Soviet Union. In a way it is paradoxical that only the developments since last November, developments which integrated Czechoslovakia into the current processes under way in Eastern Europe, completed what should have been done considerably earlier in the interest of the much trumpeted friendship and what has been confirmed by the signing of documents in Moscow on Monday. They lend substance to relations between Prague and Moscow, starting afresh under conditions of genuine friendship. Personal contact between the senior representatives certainly contributed toward this; they confirmed that in many respects they have found a common language, and this is good.

Slovak Socialist Republic Changes Name

LD0103224190 Prague CTK in English 2144 GMT 1 Mar 90

[Text] Bratislava March 1 (CTK)—The Slovak National Council proposed to the Federal Assembly at its session here today that the name of the Czechoslovak Socialist Republic be changed to Federation Czechoslovakia and the state emblem be changed into a vertically divided shield with the state emblem of the Czech Republic on the left side and that of the Slovak Republic on the right side.

The name of the Slovak Socialist Republic is changing to the Slovak Republic as from today.

The Slovak flag consists of three horizontal strips—white, blue and red.

Soviet Czechs, Slovaks 'Proud' of Havel

AU0103154290 Bratislava PRAVDA in Slovak 28 Feb 90 pp 1,5

[CTK report: "Four Minutes on the Red Square; Closing Day of Vaclav Havel's Visit to the Soviet Union"]

[Excerpt] Moscow— [passage omitted]

Among Czechoslovak Citizens

"We Are Proud of You," "Bravo;" "Congratulations;" "Prague Greets You," "Chomutov Greets You," "Bratislava Greets You" These were the slogans with which Czechoslovak citizens [living in the USSR] welcomed President V. Havel on the premises of the CSSR Embassy in Moscow.

It was one of the most joyous moments of the visit. People sent to work in Moscow and the more remote corners of the Soviet Union, students, Czechs and Slovaks living in the USSR permanently, and even a small group of ethnic Czechs living in the Volyn Oblast [in the Ukraine]—altogether at least 1,000 people—gave the president and his entourage an enthusiastic welcome.

In the embassy building, V. Havel then had a meeting with representatives of various groups of Czechs and Slovaks living in the Soviet Union. With Vladislav Janik, who works on the construction of a gas pipeline compressor station in the Ryazan Oblast, he discussed problems concerning supplies.

President Havel also had a lengthy conversation with Viktor Javurek from the village of Mala Zubovshchina in the Zhitomir Oblast of the Ukraine, about 120 km from Kiev. Some 600 Czechs live in the village. V. Havel inquired about the conditions in which they live and about their contact with Czechoslovakia. He heard a request for help in connection with the fact that, two months ago, the village was incorporated into the zone affected by the consequences of the Chernobyl accident. Although the salaries of the people living in Mala Zubovshchina have been raised and their annual leave extended, they are beginning to leave in droves. A total of 18 families, all of them young, have already applied for emigration to various places.

V. Havel asked Rudolf Slansky, Czechoslovak ambassador to the USSR, to look into the matter during negotiations with the Soviet authorities. [passage omitted]

Kohl: 'Fateful' Elections for Germany

LD0103204990 Hamburg DPA in German 1854 GMT 1 Mar 90

[Text] Karl-Marx-Stadt (DPA)—Federal Chancellor Helmut Kohl described the elections to the GDR People's Chamber on 18 March as a "fateful election for Germany." In Karl-Marx-Stadt, he urged the people of the GDR to vote. It is a "commitment to the unity of the fatherland, to peace and freedom," the federal chancellor said, to great applause. According to the organizers, some 200,000 people came to see Kohl this evening at the election rally of the "Alliance for Germany," the alliance of the three conservative parties the CDU [Christian Democratic Union], DA [Democratic Awakening], and the DSU [German Social Union].

Kohl said he also understands the fears of the two German states' unification. A united Germany, however, would be a "place of peace and freedom." He said, "There will be no Fourth Reich." The German home is to be built in a larger European home, but the road of the Germans must not be taken without consideration for the neighbors, such as Poland, for example. Kohl did not touch on a possible joint declaration of the People's Chamber and the Bundestag on recognition of Poland's western border.

Kohl again rejected the demand for emergency aid of billions of Deutsche marks [DM]. One could not put billions of marks into a bankrupt system. Instead, an economic and monetary union and a social community should be set up "as soon as possible." It is a matter of introducing the DM in the GDR. For this, economic reforms are unavoidable.

Kohl spoke in favor of progressively adapting the GDR's pension system to that of the Federal Republic. The Federal Republic is as ready to render this assistance as it was to provide initial financing for the development of a social security net. The Federal Republic does not want any "social distress" in the GDR. The entrepreneurs are also ready to invest in the GDR to make the companies fit "for tomorrow's world." Kohl again called upon the people of the GDR to stay in the country and to collaborate in the new beginning.

The representatives of the three conservative parties supported the rapid establishment of German unity. DSU Chairman Wilhelm Ebeling called for unity and the adoption of the Basic Law this year. CDU Chairman Lothar de Maiziere spoke in connection with monetary union being a "risky business" for the Federal Republic. However, the GDR needs Bonn's "help to self-help." Democratic Awakening Chairman Wolfgang Schnur also called for monetary and economic union "as quickly as possible."

FRG Politicians Address Election Rallies

LD0103210290 East Berlin ADN International Service in German 1941 GMT 1 Mar 90

[Excerpts] Berlin (ADN)—Top Federal German politicians spoke today at a series of rallies in the GDR. [passage omitted]

FRG Deputy Chancellor Hans-Dietrich Genscher (FDP) [Free Democratic Party] spoke at a League of Liberals election rally in Dessau. "We intend to set an example for the world of how East and West can come increasingly closer together and unite in peace and democracy," he exclaimed. No one has to worry about a united Germany again becoming a danger to its neighbors, the foreign minister stressed. The Germans' need for power politics had been satisfied once and for all.

The prime minister of the FRG State of Bavaria, Max Streibl, was campaigning at a DSU [German Social Union] election rally in Weimar for the FRG's Basic Law being taken over [by the GDR]. Controlled with counterdemonstrators, Steibl called the FRG's social market economy the third way, desirable for all, something between capitalism and socialism. He clearly warned against any socialist or social democratic course that would place Federal German capital aid in question and thus endanger the economic upturn.

The SPD [Social Democratic Party] chairman of the FRG, Dr. Hans- Jochen Vogel, was a guest at an election campaign rally staged by the SPD in Oranienburg near Berlin. He strongly rejected costly arms expenditure, proclaiming: "We do not need any European Fighters!" The 100 billion Deutsche marks saved as a result would better serve security if it aided the democracies in the GDR and East Europe.

The GDR has a moral right to financial payments from the FRG because it did not lose World War II alone. Vogel said GDR citizens must not be penalized for failing to enjoy the advantage of a Marshall Plan and having to pay more reparations. No one should be afraid of unity; therefore, economic and social union must be accompanied by social security. This includes safeguarding kindergartens and free school meals, as well as the fixing of minimum pensions and unemployment benefits. The European nations should be able to look sympathetically toward developments in Germany. It was thus necessary to give an unequivocal statement on the Polish western border. There would no sooner be an expansion of NATO to the Oder than there would be German neutrality.

Regarding the continuing stream of emigres, the SPD chairman stressed that the emigres should consider this step three times because preferential treatment would no longer be given. In addition, with every resettler, a vote would be lost for change in the GDR.

An election campaign rally with Saarland Prime Minister Oskar Lafontaine in Cottbus was on the agenda for the late afternoon.

FRG's Vogel Speaks

LD0103222490 East Berlin ADN International Service in German 2146 GMT 1 Mar 90

[Text] Neubrandenburg (ADN)—Whoever beats around the bush about Poland's western frontier is making it difficult for Gorbachev to continue along the path embarked upon. The Federal German Social Democratic Party [SPD] chairman, Hans-Jochen Vogel, expressed this opinion in Neubrandenburg today at an election rally by the local Social Democrats.

No distrust should be awakened among European neighbors by German unification. For this reason, the process must be discussed with them sensibly. The aim is a Europe without frontiers. Vogel expressed the hope that "the Germans may advance European unification."

The SPD chairman strongly criticized the "arrogance from the Federal Chancellery" toward the GDR. Nevertheless, in the GDR it is a matter of "people who have something to contribute" who have achieved the breakthrough to democracy by their own strength. Vogel described plans to extend NATO to the Oder as "adventurism."

Labor Minister At CDU Rally

AU0103112690 East Berlin NEUE ZEIT in German 24 Feb 90 p 2

[ADN report: "Social Partnership Instead of Class Struggle"]

[Text] Gotha—FRG Labor Minister Bluem addressed several thousand citizens who had gathered to attend an election rally in Gotha market square on 22 February. He spoke in favor of a united Germany and the replacement of the planned economy by a social market economy. The Christian Democratic Union deputy chairman appealed to the GDR citizens to participate in the elections, as the FRG chancellor had done a few days earlier in Erfurt. He stated that the FRG will share everything with their brothers and sisters in the GDR. Bluem admitted that considerable difficulties still have to be overcome, and that there will be unemployment as a result of the economy's restructuring. Still, there is the possibility of an economic miracle in the GDR. Social partnership instead of class struggle, a Marxist relic of the 19th century, is the precondition for that.

In the evening, the FRG labor minister spoke at another election rally in Jena.

Lafontaine at SPD Rally

LD0103225190 East Berlin ADN International Service in German 2149 GMT 1 Mar 90

[Text] Cottbus (ADN)—"The renewal process in East Europe crossed borders, and therefore, German unity must also be embedded in European unity," said Saarland Prime Minister Oskar Lafontaine at a Social Democratic Party [SPD] election rally outside the Cottbus Stadthalle late this evening.

"We must create trust among our Polish neighbors and recognize their western border. It can no longer be called into question." The SPD's putative chancellor candidate was also in favor of no longer targeting any nuclear missiles from the FRG on fellow countrymen in the GDR. It is absurd that the Federal Government is supporting the largest arms budget so far; on the contrary, it must be cut back and the money saved used in the GDR.

The central topic of Germany policy, of German unity, was social justice, which the SPD supports. "Everyone can't run away. Only when people stay here can economic prosperity be achieved," Oskar Lafontainne said, to the applause of the 3,000 participants in the rally. At the same time, he warned against the empty promises being made by the Christian Democratic Union, the Christian Social Union, and the Free Democratic Party.

Prosperity such as that in the FRG can only be achieved in the GDR through the systematic and consistent collaboration of all citizens. The people of the Federal Republic must help without delay in developing the infrastructure in the GDR. Every day that passes here is a day wasted. The 500 million marks that the Kohl government is going to spend on emergency accomodation for resettlers would be better spent on renovating homes in the GDR. The people who stayed at home must be supported, not those who left.

He said that in the next few days Saarland will again be sending medical supplies and production machinery. Further education programs for employees in combines and enterprises will also be offered, and experts in industry and administration from Saarland will help in the reconstruction in Lusatia.

Bavarian Minister-President Visits Erfurt

LD0103141190 East Berlin ADN International Service in German 1007 GMT 1 Mar 90

[Text] Erfurt (ADN)—Bavarian Minister-President Max Streibl arrived in Erfurt this morning with an economic delegation from his federal state. After his arrival at the airport, he said preparations for a partnership between Bavaria and Thuringia are the main concern of his visit.

This morning's talks with the council chairmen of the three Thuringian areas of Erfurt, Gera, and Suhl, as well as with representatives of political parties and movements, are aimed at this. In the afternoon, Streibl will host a reception in Weimar for representatives of medium-sized economic enterprises. A German Social Union [DSU] election rally, at which he will appear together with top DSU candidates, will conclude the visit.

Streibl News Conference

LD0103203390 East Berlin ADN International Service in German 1337 GMT 1 Mar 90

[Text] Erfurt (ADN)—Intensive economic contacts between Bavaria and Thuringia resulted during the visit today to Erfurt and Weimar by Bavarian Minister-President Max Streibl. The minister-president, the Bavarian Economics and Transport Minister, Dr. August Lang, and acting Erfurt Area Chairman Horst Lang reported on this at a news conference. The Bavarian delegation's members, who arrived in Erfurt on the same day, are high-ranking representatives of banks and industry, including the presidents of associations, as well as the chambers of skilled crafts, industry and trade.

It is a matter of creating the prerequisites for the market economy by the elections on 18 March so that firms come to Thuringia with their capital, Streibl said. He termed ridiculous all fears for the future. Rather it is a matter of summoning up the courage for freedom.

The Bavarian state government head handed over a measuring device for determining air pollution. He noted that since 1976 the emanation of sulfur dioxide in Bavaria has been reduced by 93 percent. He described the treaties on gas and electricity supplies to the GDR and the reconstruction of the transfer grids, which are ready for signing, as a similar development.

Streibl gave evasive answers to questions about the Oder-Neisse border, referring to federal responsibility. He personally does not believe there will be a change in the border, however the decision has to be left to a future pan-German government.

At the end of his visit this evening, Streibl will appear at a DSU [German Social Union] rall together with the DSU's leading candidates.

'Text' of Unification Memorandum

LD0103151190 East Berlin ADN International Service in German 1330 GMT 1 Mar 90

[Text] Berlin (ADN)—The GDR ambassadors in the participant states of the final acts of the Conference on Security and Cooperation in Europe (CSCE) recently handed over to the foreign ministries of their host countries a memorandum from the GDR Ministry for Foreign Affairs on the incorporation of the two German states' unification into the pan-European unification process. The document has the following text:

Council of Ministers Chairman Hans Modrow underlined in his speech to the GDR People's Chamber on 20 February 1990 that the rapprochement between the two German states and the decision to be made on a unified Germany by the Germans in free self-determination are not only a national but, at the same time, a European problem. The governments of both German states have accepted their responsibility toward Europe. They agree that of fundamental importance for the destiny of the whole of Europe is how the German unification process fits into the requirments of European security and future cooperative structures. Important common steps of the two German states to promote the pan-European process should therefore be:

1. Experts from both German states are to begin as quickly as possible the working out of a joint German standpoint for the meeting, as agreed in Ottawa, of the foreign ministers of the GDR and the FRG with the Four Powers' foreign ministers on the external aspects of the setting up of German unity.

The neighboring states are to be invited to take part directly in the talks that affect their security. That could be regulated by a corresponding agreement.

Parallel to this, a meeting of experts of the 35 CSCE participant states should commence, as early as possible, with the preparation of the summit meeting foreseen for 1990. Both parts of Berlin could be a possible location for the meeting of the experts. In its framework, all aspects of the summit conference, including security questions, could be discussed.

2. The GDR and the FRG are to regularly inform, with immediate effect, the other CSCE states on all steps that lead to their further rapprochement and final unification. They are to do this in the conviction that strong impulses for the overcoming of the division of Europe will emanate both from the process of growing together and from the future united Germany. The governments of both German states are to agree in those bodies, in which the necessary steps for further rapprochement are discussed, on the arrangements for continually informing the 33 CSCE states.

3. Even before the planned CSCE summit meeting, the GDR and FRG governments are to make, by way of a reinforcement of and in line with the principles of the CSCE Helsinki Final Act, a joint statement, binding under international law, on the inviolability of the existing borders with their neighboring states, in particular, Poland's western border.

4. At the summit meeting of the 35 CSCE states, the two German states are to submit the joint draft of a statement on the German question, which is to be an element of the conference results.

Important elements of this statements could be the following:

—The CSCE participating states underline, in application of the codes of principles of the Final Act, the right to self-determination of the Germans. The governments of the GDR and FRG are to state that the rapprochement and unification of the two German states is to take place within the framework of the CSCE process, under respect for the security interests of all its participating states, under respect for the existing rights and responsibility of the Four Powers, and in line with international obligations that have

been undertaken. The CSCE member-states proceed on the basis that this will contribute to the consolidation of trust and the strengthening of stability in Europe, and is an element of a European peace order.
—The CSCE states endorse the recognition of the European borders, which has been made by the governments of the two German states and is binding under international law, in the framework of the conference results.
—The GDR and the FRG are to assure that a united Germany will never use military means other than for purposes of self-defense, and nor will they threaten other states either militarily or in any other way. Its sole purpose will be regarded as guaranteeing stability and peace in Europe.
—In realizing their historic responsibility, the two states are to state that fascism, militarism, racism, and anti-Semitism will not be tolerated in a unified Germany.

5. The two German states are to advocate firmly that the political processes in Europe should be supported by far-reaching measures in disarmament and arms control. The GDR and the FRG are to make their contribution to ensuring that initial agreements on conventional armed forces, and if possible on new confidence- and security-building measures, are reached before the CSCE summit meeting. They are to support the immediate continuation of the negotiations between the 35 CSCE states on European disarmament and security policy problems, with the goal of creating a European security system in the framework of which the military alliances would gradually be dismantled. They are to make drastic reductions in their armed forces, to a level that cannot be perceived by anyone as a threat, and they are to give their agreement to the inclusion of the armed forces of a unified German state in the framework of those negotiations that are to be held between the CSCE states on the subject of new European security structures. This process, and the changing character of the existing alliances, should lead to a pan-European constellation that will make possible for both German states or for a unified Germany a different security policy situation with reference to their continued involvement in the alliances' military organization.

As a further step along this path, the governments of the GDR and the FRG are to reinforce their renunciation of any form of ownership, acquisition or right of disposal over nuclear, chemical, and biological weapons. They are to appeal to those powers that have stationed nuclear, chemical, and other weapons of mass destruction on German soil to remove them.

6. Both German states are to agree, together with the other CSCE states, to shape the preparation for the summit meeting this year in such a way that from it will emerge political initiatives for European confederation, the broad outline of which is to be discussed and decided at the next CSCE meeting in 1992 in Helsinki. The governments of the GDR and the FRG are to this end to submit proposals for meaningful new forms and mechanisms of intensive cooperation between the CSCE states, which should take immediate effect and provide a solid framework for the process of European unification.

Determination from the summit on the following new CSCE structures are to be considered thereby:

—Regular meetings of the state and government heads,
—a consultation council of the foreign ministers,
—a security and disarmament authority,
—a council to promote economic and scientific-technical cooperation,
—a pan-European environment council,
—an institute for the preservation and upholding of human rights and for the hearing of humanitarian questions,
—a mechanism for the peaceful settlement of controversies,
—a constant CSCE secretariat.

At the same time, the CSCE summit conference should tackle the further development of the code of principles of the final acts of Helsinki along with the affirmation of their strict upholding. This applies in particular to the establishment of such principles as that of political pluralism and the recognition of the right to free elections, as well as the recognition of the rights of national minorities as fundamental human rights.

The comprehensive experiences and the already successfully tried systems of European cooperation such as the European Communities, the EEC, UNESCO, and the European Council should be used in accordance with the given possibilities.

7. With the aim of the further incorporation of the German-German rapprochement and unification into the CSCE process with regard to the Bonn CSCE economic conference and the meeting on the human dimension of the CSCE in Copenhagen, the GDR and the FRG are to undertake intensive efforts to contribute by means of joint proposals and initiatives to the results of these conferences, and to raise the quality and tempo of the process of the creation of a joint European economic, legal, cultural, and information area.

Parties Criticized for Pushing Unification

AU0103123190 East Berlin NEUES DEUTSCHLAND in German 27 Feb p 1

[Gerd Prokot article: "The Bandwagon is Moving...."]

[Text] The bandwagon of unity is moving, said the honorary chairman of the Social Democratic Party in West and East, Willy Brandt, in Leipzig. But what is the destination of the journey? What does the terminal station look like, and what are the interim stations called? Is the bandwagon moving at sight or according to schedule?

The answer that this will be decided by the people on 18 March by ballot is too simple because a clear majority of

the people advocate unity. The differences are not about the question of whether there will be unity, but about the question of when and how it will be achieved.

Politicians from the camp of the conservative Alliance for Germany advocated more or less clearly the GDR's anschluss to the FRG—exclusively on Bonn's terms and virtually for nothing. Democratic Social Union chief Ebeling is trying to catch votes with the slogan "Unity now!," and Christian Democratic Union Chairman De Maziere wants to achieve unity "as soon as possible and as well as necessary." They do not waste a thought on the way and rate of unification; and why should they, since the GDR has already been factored out of the equation. The schedule for unity submitted by the Social Democratic Party also boils down to the earliest possible merger, giving a "council on German unity" the role of obstetrician.

A ride at full speed, which is being favored by the Social Democrats, the liberals, and the conservatives, would be the shortest, but certainly not the best way. Overcoming the German nation's division, which the Party of Democratic Socialism has expressly proposed, can only benefit the citizens in both German states and the Europeans if it is achieved step by step, because it is in the citizens' interest to first solve all those legal and constitutional problems in an international treaty, which concern the social benefits, secure housing, property, the protection of contracts of use and lease, the recognition of professional qualifications, labor contracts, etc. That takes time and can only be done if the GDR takes part in the historic process as a sovereign and equal partner—a process that President von Weizsaecker called the "task of a century."

PDS Campaign Manager Voices Confidence

AU0203103390 East Berlin NEUES DEUTSCHLAND in German 28 Feb 90 p 1

[ND report: "Party of Democratic Socialism—A New Party With A New Face"]

[Text] Berlin—The Party of Democratic Socialism [PDS] is entering into the election campaign with a new face and self-confidence. The critical process that the party went through especially in January has been overcome. That was stated by PDS election office chief Andre Brie at a news conference in Berlin on 27 February. An expression of this is the fact that membership is stabilizing now. According to Brie, 800 new members were registered last week.

He says that regarding specific issues, there is considerable agreement with other parties and movements. Andre Brie says that the PDS backs other political forces without any ideological narrow-mindedness if it helps the GDR people and serves a stable development in Europe. With its expertise and its political integrity, a strong PDS opposition in parliament can play an important role even from a minority position. He says that the PDS attaches extraordinarily high importance to democratic developments at the grass roots, which also form part of the achievements of the people's movement; these achievements must be maintained in the unification process.

Andre Brie said that PDS top candidate Hans Modrow will only hold election functions on a single day. He will appear in Neubrandenburg Area, where he was nominated for the ticket by secret ballot on 26 February. According to Brie, this large restraint is supposed to make it clear that he will observe his task as GDR premier.

On 27 February, GDR Television also presented the PDS as a new party with a new face. The "Elections 90—About Ourselves" program certainly radiated more optimism than the party's critics grant the PDS. Gregor Gysi's statement on the expected election results were typical of this optimism: "The PDS starts at zero; so we can only improve."

The subsequent round of talks with Gysi was about visions and realpolitik. The PDS does not claim the truth, and even less will it impose any alleged social happiness on anybody. However, "we are making offers," and we are representing these offers in a democratic way, says Gysi. He gave the reason for such approach right at the beginning—political responsibility for this country.

Realpolitik is what this country needs. The PDS has abandoned wishful thinking. Talking about a unified Germany in the military structures of NATO, for instance, is wishful thinking.

Asked about a look forward to the year 2000, Gysi said: I assume that we will then pursue the third way—democratic socialism. It is the only solution to the global problems of mankind.

LDP Election Program Demands Unity

AU0103160790 East Berlin DER MORGEN in German 27 Feb 90 p 1

[Boxed-in article at the bottom of page 1: "For Germany in a United Europe"]

[Text]

From the Election Program of the Liberal Democratic Party [LDP]

The LDP's goal is the fastest possible unity of Germany in a European peace system.

The LDP is striving for a unified German citizenship.

We want:

—The immediate and comprehensive expansion of the intra-German links. This includes a close economic, monetary, and transportation union before the end of 1990.

—A free Germany within today's borders in the form of a German confederation as the next step—with a federal assembly, a federal head of state, and joint membership in the United Nations. This is to be decided by a referendum before 2 December 1990.
—A united, peaceful, and respected Germany in the community of all states and peoples under the common roof of a European home.

We want to achieve these goals in agreement with our neighbors and in the process of international disarmament and detente, which we are promoting with all our strength.

Never again must fascism and war, racism and anti-Semitism, revanchism, and hostility toward foreigners start from Germany.

DGB, FDGB Form Joint Working Committees

LD0103115790 East Belin ADN International Service in German 2018 GMT 28 Feb 90

[Text] Hanover (ADN)—The trade union umbrella organizations of the GDR and FRG have agreed on the formation of joint working committees on pension policy, unemployment insurance, and the law concerning wages. During a meeting in Hanover today, the two chairpersons Helga Mausch (Free German Trade Union Federation) [FDGB] and Ernst Breit (German Trade Union Federation) [DGB], achieved broad unanimity on the development and tasks of their organizations. The two sides announced in Hanover that they supported the right to strike and autonomy in negotiating wage rates, and opposed lockouts.

Different views existed on the GDR trade union law. Helga Mausch supported its adoption by the People's Chamber on 6 March; she underlined the importance of the trade unions' right to a say in the enterprises and firms with regard to employees' working and living conditions, but disassociated herself from the proposal of a veto right for trade unions in the People's Chamber. She did not reject works councils, in principle, the FDGB wanted to work together with them.

Ernst Breit said that it must be respected that conditions of trade union activity in the GDR fundamentally differed from the situation in the FRG. The DGB particularly rejected a trade union right to veto laws passed by a democratically elected parliament. He also rejected works councils.

During the meeting, Helga Mausch stated that at present there are around 80,000 unemployed in the GDR. A decline in social security was already evident. Existing legislation for the protection of workers was already being circumvented. In the case of a monetary union, the FDGB expected unemployment to total half a million, although this figure is an underestimation according to Helga Mausch.

Registered Parties, Associations Listed

LD0103095190 East Berlin ADN International Service in German 1705 GMT 28 Feb 90

[Text] Berlin (ADN)—In line with the law on parties and other political associations, the office of the People's Chamber president drew up and instituted a register of GDR parties during the weekend. The parties are obliged to make available the program and statutes, as well as the executive members' names. The People's Chamber press office announced today that of 38 parties and political associations, 35 have been registered. Three applicants were unable to furnish the necessary documentation.

Those entered in the register, in order of registration date are:

1. Free Democratic Party,
2. Democratic Farmers' Party of Germany,
3. Association of Working Circles for Employees and Democracy,
4. German Youth Party,
5. National Democratic Party of Germany,
6. The Carnations,
7. Socialist Student League,
8. Christian-Democratic People's Party,
9. Green Party
10. Independent Women's Union,
11. Federation of Socialist Workers,
12. Communist Party of Germany,
13. German Forum Party,
14. Party of Democratic Socialism,
15. German Beerdrinkers' Union,
16. New Forum
17. Democracy Now,
18. European Federalist Party,
19. Independent People's Party,
20. German Social Union,
21. Democratic Awakening,
22. Free German Youth,
23. Marxist Youth Association 'Young Left',
24. Green Youth,
25. United Left,
26. Social Democratic Party of Germany,
27. Christian League,
28. Democratic Women's League,
29. Unity Now,
30. European Union of the GDR,
31. Peace and Human Rights Initiative,
32. Ecological Democratic Party,
33. Christian Democratic Union,
34. Liberal-Democratic Party,
35. Free German Trade Union Federation.

Leftist Youth Groups Form Election Alliance

LD0103111790 East Berlin ADN International Service in German 1557 GMT 28 Feb 90

[Excerpts] Berlin (ADN)—The German Youth Party, the Green Youth, the Marxist youth association Young Left, and the FDJ [Free German Youth] have formed an

election alliance, the Alternative Youth List (AJL). It has been registered with the People's Chamber president and the GDR Election Commission and is thus entering the parliamentary elections on 18 March. This was announced by representatives of the four youth organizations at a news conference in Berlin today.

So far the ALJ has nominated 52 candidates in all areas. They include People's Chamber Presidium member Dr. Cornelia Wolfram and Olympic swimming champion Heike Friedrich. A third of the candidates are young workers and two-thirds are between 18 and 24. [passage omitted]

AJL spokesman Thomas Petzold stated that the alliance has only limited material and financial resources, receives no support from the FRG, and is therefore unable to contest the elections with the same expenditure as other parties and movements. [passage omitted]

Greens Say Reform Also Necessary in FRG

AU0103144190 East Berlin NEUES DEUTSCHLAND in German 27 Feb 90 p 3

[Interview with Greens Party spokeswoman Vera Wollenberger by Karin Doerre; place and date not given: "We Can Contribute More Than Just Diligent People"]

[Excerpts] [Doerre] First of all, thank you very much for granting us this interview. NEUES DEUTSCHLAND would like to apologize for not having exactly treated you very fairly in the era before the great changes. Mrs. Wollenberger, where does your party place itself in the spectrum of parties in our country?

[Wollenberger] We see ourselves in the neighborhood of the citizens' movements, that is to say of those people who brought about the changes in October. Of course, we would like to transfer to the new society as many democratic forms as possible that we created. One of the ideas that we discuss is, for example, to take the institution of the roundtable with us into the new society. [passage omitted]

[Doerre] What is your attitude toward the German question?

[Wollenberger] We, the Greens Party, have said that we would like a CSCE conference to be held before the unification. Its objective should be the military blocs' disbandment because we believe that a united Germany—if it has to become the strongest economic power in Europe—must by no means become the strongest or second-strongest military power in Europe. We cannot expect our neighbors to put up with this because, after all, the division of Germany was a result of World War II. At the same time, we have always said that, together with the CSCE conference, an ecological security conference ought to be held. [passage omitted]

[Doerre] What should the future Germany look like in your opinion?

[Wollenberger] It ought to be demilitarized and neutral. This is what we struggle for. We also reject that after the unification, the GDR becomes a member of NATO, not even an indirect one. This Germany ought to use its economic power primarily for the ecological restructuring of society, but it should also help solving the problems in the Third World. It ought to be a Germany with forms of direct democracy, and not just based on the rule of the parties. What we have developed here in the GDR should also be of interest to the FRG. After all, we believe that the FRG needs as much reform as our own society. We can contribute more than just diligent people. We want decisions to be taken where the people who are affected by them live, and not in a central spot far away. A federal system would be a good starting point for this. [passage omitted]

[Doerre] The majority at the roundtable has rejected the intervention of guest speakers from the FRG in the election campaign. Does the Greens Party still support this?

[Wollenberger] I should think so. After all, we want to show our own profile in the election campaign and not that of some sister party. We believe that our voters have a right to get to know those people or parties for whom they can vote, and not their Western counterparts. Of course, there can be discussions on certain topics with experts of ecological parties in the West.

Political Broadcast by New Forum

LD0103184690

[Editorial Report] East Berlin Television Service in German at 1850 GMT on 28 February carries a 15-minute political broadcast on behalf of New Forum. The presenter introduces Rolf Henrich from New Forum, (Rainer Schultz) from the Pankow Peace Circle, (Sonja Schroter) from Democracy Now, and Gerd Poppe from Peace and Human Rights.

(Schultz) explains why these groups have allied themselves, saying that such an alliance stems from time in opposition under Erich Honecker, whereas other alliances in the GDR have arisen through pressure and help from their sister parties. These groups allied on 4 October 1989 under conspiratorial conditions to conclude an alliance to force free elections and oppose the Socialist Unity Party of Germany [SED] and the bloc parties. They succeeded in showing that the 7 May 1989 elections were fraudulent and in creating a public protest movement. They have formed an alliance because they are stronger together.

Poppe also reviews the history of the movements and their contribution to ridding the GDR of SED rule and repression. He says that even then they were representing the citizens' interests. This illustrates the capability of citizens' movements to work continuously and constructively under the most difficult conditions.

(Schroter) talks about Democracy Now, saying how it opposed the Wall, the travel restrictions, and the GDR people's being marginalized. They favor the democratization of all aspects of life, including the economy.

Henrich explains that they have not formed a party because there are many parties but only one citizens' movement. It is difficult to distinguish between the parties. Parties reduce citizens' interests to campaign slogans. They are only out to catch votes. Parties alone cannot defend citizens' interests. They want the mature citizen who wants to have a say and involve himself in politics, the economy, and other areas of life, and who does not receive his opinion from any party headquarters.

Poppe says that the alliance's concept of politics being close to the citizen is compatible with being in parliament. Although the emphasis is on work outside parliament, laws are made there and so they need to have deputies there in order to support people whose rights have been violated—the socially weak, the disabled, old people, as well as woman and children. They also represent such policies at the roundtable and in the government. This work is not mutually exclusive, but they are trying to have the various levels complement each other.

Henrich speaks of people's worries about their tenancies if their homes are claimed by their original owners in the FRG. They want to protect tenants by maintaining the GDR's laws on protecting tenants. They are asked what happens if the owner left the GDR for political reasons. Henrich says that justice has to be done to both parties. New injustice must not replace old. Henrich adds that land should belong to the farmers and people who use it but must not become an object of speculation. The community's right to have the right of first refusal to purchase land should be preserved.

On German unity Henrich says he is favor, but that annexation via Article 23 of the Basic Law is not acceptable. The FRG's history also has a black mark in that it arose under the Western powers' patronage. He says they now have a historically unique opportunity, thanks to the democratic revolution in the GDR, to form a German republic through a referendum that actually comes about by the German people's will. This German republic would have much greater legitimacy than the FRG has at the moment. The path to unity via a referendum truly corresponds to the self-determination of the German people. This will be supported by the alliance's deputies in parliament.

Electoral Commission Statement on Procedure

LD0103114190 East Berlin ADN International Service in German 1833 GMT 28 Feb 90

[Text] Berlin (ADN)—Four hundred deputies to the GDR's People's Chamber will emerge from the parliamentary elections on 18 March through party lists, political associations, or associations of lists. This is announced in a statement by the GDR's Electoral Commission conveyed to ADN today.

Citizens can check the correctness of their personal data on the electoral registers of the council in their main place of residence between 5 and 10 March. Whoever is not in his main place of residence on election day can apply for a ballot paper to the relevant council. He may nominate a proxy to do this. He can take part in the election in every electoral area [stimmbezirk] in the GDR.

According to the statement, the polling booths will be open from 0700 to 1800, in exceptional cases from 0500. The vote counting will take place publically starting at 1800.

In the statement signed by Electoral Commission Chairwoman Petra Blaess, voters are called on to use their oportunity to vote for the list of their choice and to be present at the public counting.

Maleuda Denies Report on Election Objection

AU0203110990 East Berlin NEUES DEUTSCHLAND in German 28 Feb 90 p 2

[Report on interview with People's Chamber President Guenter Maleuda by Guenter Fleischmann; place and date not given: "A Non-Existent Move Cannot Be Responded To"]

[Text] The FRG newspaper DIE WELT reported on 28 February that the German Social Union (DSU) addressed a "constitutional complaint" to the GDR People's Chamber Presidium in an attempt to change the election date of 18 March. It says that the election law has not been published and is not known to the DSU; however, publication of the text is a prerequisite for its becoming effective.

[Fleischmann] You know the report. Did you receive such a letter?

[Maleuda] Neither my office nor the People's Chamber Secretariat has received a letter from the DSU.

[Fleischmann] The election law's text has been published, and to our knowledge, it is known throughout the country.

[Maleuda] The election law's text, which was approved by the People's Chamber on 20 February, was published in the Legal Gazette Part I No. 9. After the GDR election commission had been established, the election office made the election order available to all election boards as a booklet with a circulation of 25,000 copies.

[Fleischmann] When will the People's Chamber Presidium respond to the DSU's move? Can you tell us what the reaction will be?

[Maleuda] The People's Chamber cannot and must not deal with a nonexistent move.

Administration for Statistics To Count Votes

LD0103174990 East Berlin ADN International Service in German 1608 GMT 1 Mar 90

[Text] Berlin (ADN)—The State Central Administration for Statistics (SZS) was given the task of determining the provisional and final results of the People's Chamber elections in the GDR on 18 March and handing the results to the Electoral Commission. This was announced to ADN today by Dr. Alfred Lachnit, head of a main department at the SZS.

The election results will be counted and passed on exclusively by Central Administration employees and the data processing center allotted them in Berlin, Dr. Lachnit said.

IBM Germany was making data processing equipment available. The offer by the Western partner of comprehensive support had been accepted because of worldwide interest in the election, as well as the extraordinarily short preparation time.

As IBM Germany announced, an IBM 4381 central computer is to be made available to the data processing center in Berlin and 15 medium-sized AS/400 computers in the areas.

New Berlin Mayor Discusses Unifying City

AU0103160390 East Berlin BERLINER ALLGEMEINE in German 27 Feb 90 p 1

[BA report: "Unification Process of This City in Peace, Dignity, and Freedom"]

[Text] East Berlin (BA)—On 26 February at a news conference, new Berlin Mayor Christian Hartenauer presented the city administration's positions on the current work.

He considers himself to be mayor for the transition period in order to maintain life in the city of Berlin at a difficult time. He noted that he considers the administration to be capable of action; however, it has to be seen how roundtable representatives could be better included in the work. The most important task of the coming weeks is the preparation of the People's Chamber elections: "We know how much the city administration is to be blamed for the election fraud, therefore we feel responsible for ensuring an orderly course of the elections in Berlin." Together with the Senat, the city administration is working for the further growing together of the city. "We want a unification process in peace, dignity, and freedom; therefore, the contribution of our own ideas and values is indispensable," the mayor stated. However, at first the daily tasks are more important than far-reaching projects for the future. These have to be developed by a legitimate new city assembly, which could be elected already before 6 May.

Hartenhauer announced that the interrupted city assembly session will continue on 7 March.

Institution To Act as Trustee for Property

LD0103202390 East Berlin ADN International Service in German 1443 GMT 1 Mar 90

[Text] Berlin (ADN)—An institution acting as trustee for publicly owned property is to start operating on 15 March in the GDR. The government also decided today to adopt a decree on turning publicly owned enterprises, institutions, and combines into joint stock companies.

This will make it possible to retain publicly owned property and at the same time create a legal framework for administering it in accordance with market economy principles, Wolfram Krause, government representative for economic reform, said in Berlin today at the government spokesman's weekly news conference.

The institution will only have an administrative function and will not perform economic management functions. This will ensure that publicly owned property will remain in trust, irrespective of any changs in economic management structures. The trustee institution is under parliamentary control, the economics expert stated.

All publicly owned enterprises are under an obligation to turn into joint stock companies, such as private limited companies, or limited companies.

The government regards this step as important for raising the performance of the publicly owned economy in conjunction with foreign capital in the market economy.

Krause stressed that land will continue to be indivisible and will not be put into trusteeship. Nor can land be disposed of as national wealth.

Committee Gives Go-Ahead for Market Economy

LD0103231190 East Berlin ADN International Service in German 1500 GMT 1 Mar 90

[Excerpt] Berlin (ADN)—The People's Chamber Constitution and Law Committee approved, after detailed discussion at a meeting in Berlin today, several draft laws that finally open the door to a social market economy. They include the drafts of the law on the amendment of the law on the GDR State Bank, of the taxation law amendment, and of the trade law. The deputies decided to recommend that the plenum adopt the laws. The committtee members also saw no constitutional objections to the adoption of the draft law on the founding and the activity of private companies and investment in companies. [passage omitted]

Government Discusses Bill on Foreign Companies

LD0103224290 East Berlin ADN International Service in German 1516 GMT 1 Mar 90

[Text] Berlin (ADN)—The GDR Council of Ministers discussed today the draft law on foreign branches of firms on GDR territory for the purpose of economic activity and passed it on to the People's Chamber for a version to be voted on.

As State Secretary Wolfram Krause, the government official responsible for economic reform, announced at the government news conference, the draft law postulates the basic principle of freedom to set up branches, which is subject to restrictions only if this corresponds to the interests of the GDR national economy.

Hitherto it has only been possible for foreign enterprises to set up branches in the form of representatives in the GDR. The law will make possible the use of foreign capital to develop the economy, to activate the domestic economy, and to contribute to the promotion of international cooperation.

The law on branches also applies to foreign commercial banks. However, supplementary special rules for permitting the setting up and activities of foreign branches in the GDR are planned.

FRG Institute Analyzes Imports, Exports

AU0103134890 Duesseldorf HANDELSBLATT in German 1 Mar 90 p 6

[Unattributed report: "German Institute for Economic Research: Exports Still Continue To Be Viewed as an Inevitable Evil"]

[Text] Berlin, 28 February—The GDR is currently carrying out two-thirds of its foreign trade with CEMA member countries. Trade with the EC states accounts for five percent. According to the German Institute for Economic Research (DIW), the systematic incorporation of the GDR into the CEMA region allows no increase in the exchange of goods with the Western industrial states.

The lack of pressure from competitors prevents a labor division with other countries on the basis of efficiency criteria. The DIW points out that the GDR's imports only fulfill the task of filling gaps in the country's own supply system. To finance the imports, exports are required, which are rather viewed as an "inevitable evil." There are many indications that the trade structure does not reflect the comparative advantages and disadvantages concerning costs in the GDR. However, the DIW is convinced that in view of the completely changed conditions, both national and international labor division will develop to a greater extent in the future under competitive conditions.

The GDR exported and imported goods worth 52 billion Deutsche marks [DM] and DM50 billion, respectively, in 1988. Exports to the EC reached a volume of almost DM3 billion in 1988, which roughly corresponded to the value of imports. Whereas the trade balance with the EC was almost balanced in 1988, the GDR achieved a considerable surplus in the years 1982-87. According to the DIW, the decline of mineral oil's price contributed essentially to a drop in export revenues.

A total of about 90 percent of the goods that the GDR exports to the EC are goods of the processing industry. The range of products is relatively broad. Certain types of furniture account for five percent of all supplies. Only 16 types of goods account for over one percent each, and only 43 types of goods together account for 50 percent of all supplies.

The export of consumer goods (leather products, wood products, musical instruments and toys, fine ceramics, glassware and paper products) clearly exceed the corresponding imports. This also applies to basic materials and producer goods (mineral oil products, nonferrous metals, pulp, stones, and earth). Concerning products of the capital goods industry and the foodstuffs and luxury food industry, imports are of greater significance.

The DIW points out that in the FRG's case, nearly 80 percent of exports and imports in trade with the EC countries concern the same groups of products whereas the rate is only 60 percent in the GDR. This shows that the labor division between various sectors (still) is of great importance.

Generally, the GDR supplies to the EC countries are only of "marginal significance" in relationship with the EC's overall imports (including trade within the EC). The supplies account for only 0.2 percent, the Berlin institute states. This may hardly be attributed to the EC's trade policy because the GDR only supplies a few goods on which heavy duties are imposed. In addition, goods from the GDR enter the FRG free of duty (this applies to 75 percent of all supplies to the EC).

The DIW notes that the GDR's trade with the EC is considerably underdeveloped, both concerning the volume and the structure of the goods. "Whereas labor division within a particular industrial branch prevails in trade between Western industrial countries, the GDR's trade with the EC continues to be strongly dominated by labor division between various industrial branches." The GDR mainly exchanges consumer goods and basic materials against investment goods.

The DIW describes an essential improvement of the GDR's supplies as the most important precondition for an increase in the GDR's exports. Participation in the EC single market is likely to accelerate this development. Increasing productivity by GDR enterprises would certainly be felt by competitors in the GDR, but the DIW sees an increasing potential in the country for the acceptance of products from EC countries. In view of the need for imports, sales opportunities would by far outweigh the additional pressure resulting from competition—at least in the first few years.

Universities, Colleges Hold Rectors Conference

LD0103233490 East Berlin ADN International Service in German 1714 GMT 1 Mar 90

[Excerpt] Berlin (ADN)—In the future, the universities and colleges of the GDR will have increasing responsibility for their own administration, Professor Dieter Hass, rector of Berlin's Humboldt University and president of the newly founded Rectors' Conference of the GDR, said at a news conference in Berlin today. The new body sees itself as the representative of the interests and the collective instrument of the universities and colleges of the GDR for the development of objectives.

Forty-nine of the 53 registered universities, colleges, and art colleges of the GDR participated in the founding of the Rectors' Conference. [passage omitted]

News Agency Advisory Council Established

LD0103230490 East Berlin ADN International Service in German 1452 GMT 1 Mar 90

[Text] Berlin (ADN)—The ADN advisory council was constituted on Thursday in Berlin as a body for the public supervision of the news agency. It contains representatives from newspapers, magazines, radio, and television who take ADN's services, representatives of social associations, media representatives of social associations, and media representatives from religious communities in the GDR. The advisory council works at the same time as an advisory organ of the news agency's director-general and has the right to give recommendations on ADN's work. Its activity proceeds, as it says in the advisory council's standing orders passed on the same day, from the People's Chamber media decision of 5 February 1990 and is directed toward the implementation of the constitutional freedom of the press and opinion.

At its next session, the advisory council will elect its chairman and his deputy and will receive a report from the ADN director-general.

Accusations Against Nuclear Plant 'Untenable'

AU0103102190 East Berlin NEUE ZEIT in German 22 Feb 90 p 6

[NZ/ADN report: "Untenable Accusations Against Greifswald Nuclear Power Plant"]

[Excerpt] Vienna—According to the vice president of the GDR Office for Nuclear Safety and Radiation Protection, Hans Scheel, the comparison of the burning of the cable at the Greifswald nuclear power plant in 1975 with a "near-Chernobyl accident" is untenable. This is being "clearly demonstrated" by the results of investigations carried out by the International Atomic Energy Authority [IAEA] experts in Greifswald, Scheel stated before the IAEA Governing Council, which continued its consultations in Vienna on 21 February.

Referring to articles published by DER SPIEGEL, he stressed that "tendentious reports in the media" exacerbate the discussion over the necessity of nuclear power in the generation of electrical energy.

The GDR representative also conveyed thanks to the IAEA for the quick dispatch of the ASSET [expansion not given] team and to the FRG for its cooperation in completing the safety analysis for Blocks One to Four in Greifswald. The results of these examinations form the basis for a decision on the nuclear power plant's future. In this connection, Scheel spoke in favor of expanding the system of reporting on incidents, including the quick information of the public, as demanded by the IAEA director general. [passage omitted]

'Cold Wind' Surrounds Bush-Kohl Talks

AU0103114590 East Berlin NEUES DEUTSCHLAND in German 27 Feb 90 p 2

[Ingolf Bossenz editorial: "A Cold Wind From Camp David"]

[Text] A cold wind was blowing around Camp David in the Maryland mountains over the weekend. George Bush and Helmut Kohl had withdrawn to the U.S. President's resort for two days to scrutinize their concepts for congruence. What the two politicians had to tell the international public upon the conclusion of their talks at the chimney place was that they were, above all, in agreement on the following question: A unified Germany must be a full-fledged member of NATO and must also be a member of the pact's military command structure. Bush said that U.S. troops "should continue to be deployed in a united Germany and elsewhere in Europe"—a demand that was emphatically confirmed by the FRG chancellor.

Such summit declarations are hardly apt to soothe critics of a NATO-centric German Europe, because these critics are also increasingly raising their warning voices on the Potomac and Rhine Rivers. For instance, former CIA chief Richard Helms urgently called for new efforts to internationalize Germany's military role. He said that there should be possibilities other than keeping the reunified Germany in NATO.

Retired Bundeswehr General Gerd Schmueckle points out such a possibility. He proposes disbanding NATO and the Warsaw Pact, and replacing them by a "Euro-Atlantic" security system that would also include the Soviet Union and should absorb both pact systems step by step. He knows what he is talking about when he says that fears in East and West should be eliminated by a "security policy framework" of German unification. In any case, the Camp David talks were not helpful in this respect.

It remains to be seen how the political wind blowing from the Maryland mountains over the weekend will influence the international political climate. It has certainly not contributed to warming it up.

Kohl Stance on Polish Border Criticized

AU0103135190 East Berlin NEUES DEUTSCHLAND in German 27 Feb 90 p 1

[Article by NEUES DEUTSCHLAND reporter Schwanitz: "Kohl's Stance Makes the Coalition Creak"]

[Excerpt] The fact that Helmut Kohl has to take one slap in the face after another for his dubious stance on the issue of the border guarantee for Poland does not seem to bother him at all. Let us wait and see how he will now react to the rebuke by President Bush, who clearly pointed out the CSCE Final Act and the finality of the borders. Whereas Kohl trumpets forth abroad that the existing borders will remain, he hints toward rightist voters at home that the borders will possibly be called into question. [passage omitted]

Boehme, Yakovlev Hold 'Open' Talks in Moscow

LD2802221690 East Berlin ADN International Service in German 2102 GMT 28 Feb 90

[Excerpt] Moscow (ADN)—On the evening of the first day of his visit to Moscow, the SPD [Social Democratic Party] chairman in the GDR, Ibrahim Boehme told journalists that his talk with leading CPSU politician Aleksandr Yakovlev this afternoon had been very open and had offered the possibility of putting forward the standpoint of the GDR SPD on German unity. The Soviet side had not acted as though it knew all the answers, but the unresolved issues had been clearly stated.

New proposals had not yet been disscussed, said Boehme, referring to forthcoming talks. The Soviet side made it clear that the USSR will in no way interfere or meddle in matters that affect the solution of the social problems and internal political structures in the GDR. He believed the Soviet leadership only had reservations about the pace of developments and the security and alliance implications. The USSR's concern was to have commitments to which the two German states should adhere. This would subsequently affect the process of unification.

The SPD security expert, Minister Dr. Walter Romberg, added that the Soviet side identified problems in the security of Central Europe in particular. The rapid pace of developments poses numerous problems and it is very important for everyone to recognize that the GDR SPD was interested in an orderly development, and that they would act and respond in a level-headed manner. The issue of NATO membership by a united Germany was very thoroughly discussed. It was clear that this is neither acceptable to the Soviet side nor to the SPD in the GDR.

Romberg said the two sides' standpoints on the basic principles and basic demands of security in Central Europe are very similar. The question is how to arrive at the structures that will make renewed security possible. He became particularly aware of the extent of Soviet expectations that real changes will take place on NATO's side, for example, in strategic concepts. The Soviet side also ascribed importance to the four-plus-two talks in the next few months. A peace treaty is also seen as a basic model for the continued European process, for a new European security system, said Romberg. [passage omitted]

USSR Halts Construction of Prenzlau Airstrip

LD0103162190 East Berlin ADN International Service in German 1447 GMT 1 Mar 90

[Excerpts] Berlin (ADN)—No helicopters of the Western Group of the Soviet Armed Forces will be stationed in Prenzlau (GDR Neubrandenburg Area). The hitherto temporary construction halt to the airstrip in the vicinity of the district town is now final. This was agreed on 1 March during a talk in the USSR Embassy in Berlin between a delegation of Prenzlau citizens and representatives of the Supreme Command of the Western Group of the USSR Armed Forces, including Deputy Supreme Commander Lieutenant General G. Tarasov, and the USSR Embassy in the GDR. [passage omitted]

The Armed Forces Supreme Command gave the assurance that a timetable for dismantling the airstrip would be handed over to the state bodies in Prenzlau by this October. An agreement was reached that the helicopters' air route up to now would be altered in consultation with the National People's Army to avoid the suburbs of Prenzlau. [passage omitted]

USSR Defense Minister's Greetings on Army Day

PM0203112190 Moscow KRASNAYA ZVEZDA in Russian 1 Mar 90 First Edition p 1

[Message from USSR Defense Minister Yazov to Defense Minister Admiral Theodor Hoffman on Army Day issued in Moscow on 1 March]

[Text] To GDR National Defense Minister Admiral Theodor Hoffmann:

Esteemed Admiral Hoffmann!

I cordially congratulate you and the personnel of the GDR National People's Army on the 34th anniversary of its creation.

Soviet troops are highly confident that the relations of friendship, comprehensive cooperation, and alliance collaboration between our armies are an important factor of peace and security on the European continent.

On the day of your holiday, I wish the troops of the GDR National People's Army new successes in improving their combat expertise.
Army General D. Yazov, USSR defense minister
Moscow, 1 March 1990

Experts Hold Talks with OECD

AU0103155690 East Berlin NEUE ZEIT in German 27 Feb 90 p 1

[ADN report: "GDR Experts at the OECD Seat"]

[Text] Paris (ADN)—On 26 February, a GDR expert delegation started talks at the OECD headquarters in Paris. The delegation is headed by Guenther Kuehnel, director general in the GDR Foreign Economy Ministry.

At the moment, the OECD unites 24 Western industrial states. Over the past months, high-ranking delegations from Hungary, the USSR, and Yugoslavia have expressed the interest of their countries in membership in or association with the OECD.

Negotiations on Cooperation Agreement With EC

AU0103102990 East Berlin DER MORGEN in German 23 Feb 90 p 1

[ADN/DM report: "Concluding Round With EC Delegation"]

[Text] East Berlin (ADN/DM)—On 22 February, the two sides' delegations met in the GDR Foreign Economy Ministry in Berlin for a consultative meeting between the EC and the GDR for preparing what is probably the last round of negotiations on a trade and cooperation agreement. The EC commission delegation is headed by Palo Benavides, the commission's director for foreign relations with North and Central Europe.

Council of Europe's Bjoerck Discusses Relations

AU0103103990 East Berlin DER MORGEN in German 23 Feb 90 p 1

["Exclusive" interview with Anders Bjoerck, president of the Council of Europe's Parliamentary Assembly, by Hans-Joerg Heims in East Berlin on 22 February: "Not Only 12 Yellow Stars"]

[Text] [Heims] What have been the focal issues of your talks in Berlin so far?

[Bjoerck] Of course, the future relations between the GDR and the Council of Europe. I agreed with Professor Dr. Manfred Gerlach that before the elections on 18 March there is no way of coming to any concrete agreements on this issue. Then, we naturally discussed German unification. For us it is important to learn at what speed it will take place. In addition, I recommended that the GDR study the Council of Europe's 135 conventions, for instance those on human rights and on cultural and media cooperation.

[Heims] What role did possible problems for Europe resulting from the proposed German unification play, for instance the Oder-Neisse border?

[Bjoerck] This was also discussed. In December I had a very interesting talk with President Jaruzelski. There the concerns of the Poles were emphatically pointed out, and also the interest of your neighboring country in good relations between the GDR and the Council of Europe. I briefed Prof. Dr. Gerlach on this.

[Heims] You met with roundtable representatives. What impression have you formed of the emerging democratic culture in this country?

[Bjoerck] I think that one can be satisfied. After all, this is a transitional period: Thus, nothing is perfect. One has to find special solutions. Only after the elections can firm democratic structures develop and consolidate. The parliamentary observers, whom we are sending to the elections from Strasbourg, will be leading politicians, for instance chairmen of parliamentary groups in the European Parliament. This, too, can contribute to establishing political relations between individual parties and to advancing democracy in the GDR.

[Heims] The European flag, if one wishes to call it that, shows 12 yellow stars on a blue background. Do you imagine that soon there will be 13, 14, and more stars?

[Bjoerck] Certainly. In fact, there are already 23 member states in the Council of Europe, and next year perhaps 25. By the mid-1990's all European countries might be members. Then we will have not only West European cooperation but a pan-European cooperation.

No Date Yet for Signing Troop Withdrawal Pact

LD0103155890 Budapest Domestic Service in Hungarian 1500 GMT 1 Mar 90

[Correspondent Elemer Csak report]

[Text] In Budapest, no agreement has been reached on the date for signing the Soviet troop withdrawal agreement. As Foreign Affairs State Secretary Ferenc Somogyi has informed Hungarian Radio, at the moment there is a debate on technical details, namely at what pace it will be possible to transport the technical equipment back to the Soviet Union via Chop. It can be taken as certain that there will be a further consultation of experts, but the state secretary does not preclude a meeting at the highest level by representatives of the two countries before the agreement is signed. The Soviet delegation that took part in the current discussions is traveling home at this moment.

Further on Troop Withdrawal

LD0103183390 Budapest Domestic Service in Hungarian 1730 GMT 1 Mar 90

[Text] [Announcer] In the past days, the news has spread that the protocol relating to the definitive withdrawal of Soviet troops would be signed on 10 March. The second round of experts' talks concluded today, and it seems that the date was premature. The Hungarian negotiating group's leader, Foreign Ministry State Secretary Ferenc Somogyi, has given a telephone interview to Elemer Csak, for this, the "Evening Chronicle" program.

[Begin recording] [Csak] Let us start at the end. Was an agreement reached about the date when the agreement on the troop withdrawal would be signed?

[Somogyi] The date of signing the agreement did not feature directly on the agenda now. Here, our task was basically to summarize the work up to this point, and to make the preparations for the signing of the agreement and the planned schedule.

[Csak] So then, according to this, the date of 10 March is not valid?

[Somogyi] The fact that we did not manage to agree in all questions now does not in itself automatically exclude that the signing would take place on the 10th.

[Csak] Of what nature are the differences of views? What does the debate concern?

[Somogyi] We are debating many things. The differences of views basically derive from the fact that we evaluate differently the technical possibilities, and also about what the limit is when we can still talk about orderly circumstances, because withdrawal as soon as possible is a fundamental Hungarian demand and endeavor.

[Csak] Do the technical difficulties relate to the capacity for passage at Chop, or rather the placing of the Soviet troops at home?

[Somogyi] They now relate almost exclusively to the capacity for passage at Chop.

[Csak] It was mentioned, or at least it appeared in the press, that perhaps the problems will be clarified at a meeting at the highest level.

[Somogyi] There can be various ways and means of clarifying the still remaining problems. I do not exclude that this question would also be discussed at a level higher than the delegation leader, for I feel it is in the interests of both sides that an agreement be reached as soon as possible, but a correct, acceptable agreement.

[Csak] Did you decide when the experts will next meet?

[Somogyi] We did not agree on a time, but we said that after the interpretation and study of the present situation, we would make contact when we have something to say to each other. [end recording]

Horn Discusses Soviet Developments, NATO

AU0203092090 Budapest MAGYAR HIRLAP in Hungarian 23 Feb 90 pp 1,2

[Report on interview with Foreign Minister Gyula Horn by Hanna Szalay; place and date not given: "Stress on National Armies"]

[Text] Hungary is interested in having a stable situation with its neighbors because one can negotiate and come to an agreement only under such conditions. Stability in the Soviet Union is particularly important for us—Gyula Horn said to MAGYAR HIRLAP, and he also expressed his views on the convergence of NATO and the Warsaw Pact and the importance of this process for Europe.

[Szalay] In one of your speeches, you predicted a reorganization and rapprochement between the Warsaw Pact and NATO, which could be the basis of a new defense and security system in a new Europe. How would such a rapprochement take place and against whom should Europe defend itself?

[Horn] Ever since 1985, beginning with the coming of Gorbachev to power, a new guideline has been implemented in Soviet foreign policy. The former enemy image connected with the West has been replaced by a partnership that starts from the premise that we depend on each other. For us, this means that this side of eastern Central Europe cannot develop without contacts and close cooperation with the other side.

Although it was always in a better position than the other Warsaw Pact member countries because of its regular contacts with the West, Hungarian foreign policy gained an increasing scope of maneuver in the wake of Gorbachev's foreign policy. Among other things, we began developing relations with the NATO General Assembly, although informally at the beginning. This was a taboo at the time. However, we also developed relations between the military leaders, and they could get information about the Hungarian Army and the Hungarian military

and security policy concepts. Another example: It often happened at the CSCE conference in Vienna that Hungary exceeded the frameworks of its alliance and joined the proposals of certain NATO countries, like on the issue of human rights and the issue of national minorities.

The breakthrough in NATO-Warsaw Pact relations came when we no longer rejected NATO proposals concerning conventional weapons but considered the elements of these proposals that could be implemented. Thus, we gradually brought the two military-political alliances closer to each other, and this finally led to negotiations held by 16 NATO and seven Warsaw Pact member countries—the 23 countries—on reducing conventional weapons. In other words, a direct contact has been set up, and the Hungarian foreign policy played a pioneering role in this.

Hungarian foreign policy also played a role in the reorganization of relations within the Warsaw Pact. This is a fact. For instance, at the Warsaw Pact summit held in Budapest in May 1988, we came up with the need to withdraw the troops deployed on foreign territories, including the Soviet troops stationed in Hungary.

[Szalay] When did this proposal become a practical goal to be implemented within a specific time, and what caused this change, because you also said in January that the Soviet demand for a withdrawal in harmony with the Vienna talks' agenda was an acceptable demand?

[Horn] We are talking in circles. If the Soviet-U.S. agreement on limiting the number of foreign troops deployed in eastern Central Europe to 195,000 soldiers had not emerged, an agreement also coordinated with us, then there would not be an international basis for the withdrawal of Soviet troops from Hungary either. These troops must be withdrawn because the time has come to eliminate the remnants of World War II and the cold war. In addition, the presence of Soviet troops irritates the Hungarian public.

Back to reorganization within the Warsaw Pact; the essential elements of such a reorganization are the following: Positions should be drawn in a really collective manner. Against great opposition, on a Hungarian proposal, the Warsaw Pact summit held in Bucharest in July 1989 agreed that there are no generally valid laws of socialism, and every member country decides on its own regime in a sovereign way, and every country shapes its own foreign policy in an independent way; and they should refrain from interfering in each other's internal affairs. Stipulation of these modern principles was an essential step in modernizing the Warsaw Pact.

A decisive element—which leads to the new situation—is that, in the course of reorganizing the Warsaw Pact, a change in power or in the regime is taking place in every member country. Thus, a reorganization is taking place in eastern Central Europe which eliminates the ideological, political, and social basis of the confrontation that has divided Europe for more than 40 years. In connection with this, I regard as extremely important that the Soviet Union has also declared in principle the legitimacy of a multiparty system.

We cannot envision a future in which we will continue to maintain the Warsaw Pact and NATO. At the same time, from an overall European aspect, there is a need for some kind of a collective security and defense system. There are many dictatorial regimes with huge arsenals in areas outside of Europe. In addition, I do not exclude the possibility of a further increase in the size of the nuclear club, and international terrorism also represents a great danger. Therefore, democracies will need defense. I mean a collective defense force based on a Helsinki-type pan-European cooperation that also includes the United States and Canada.

For the implementation of this process, the NATO and the Warsaw Pact should first come closer politically. Following the Vienna agreement, a qualitative change will take place in the Armed Forces and they will be reduced to defense forces, and then, as a next step, we should open our military and modernization programs to each other. This will lead to a coordination of programs, that is, a rapprochement will take place here too. I do not exclude the possibility of close consultations, cooperation, and even convergence between the political organizations at first, and this could lead to the elimination of confrontation between the alliance systems in a not-too-distant future.

Naturally, this requires adequate guarantees for the security of borders and for many other things.

[Szalay] Aware of the Soviet demands for secrecy, to what extent can they regard the existence of a nonhomogeneous Warsaw Pact as a security risk?

[Horn] The question is justified. There is not yet an answer to this question. However, developments show that there is a decreasing need for a so-called united armed forces. The stress should be put on national armies. This is a very important question of principle. This means that the national states themselves will decide on the activity and use of the national armies. This would not threaten the Soviet Union's security; on the contrary, talking about defense forces, this would provide additional guarantees for the Soviet Union.

It was said at the highest levels of the Soviet political leadership that the Warsaw Pact should increasingly become a political consultative body. A superpower could not lose anything by such a development.

[Szalay] And in the case of the GDR leaving the alliance?

[Horn] I do not think that German unification would be accompanied by a considerable change in the balance of forces. That is why all the Four Powers will deal with the issue and the neighboring countries will also be consulted. They will find the security guarantees that

exclude the possibility that the new Germany would threaten security in Europe or would threaten the Soviet Union.

[Szalay] Do I exaggerate when I say that, at present, the Soviet Union is threatened mostly by the Soviet Union itself?

[Horn] The Soviet Union is threatened mainly by the unstable situation in the Soviet Union, by the fact that the domestic relations are inadequate and the economy is in a catastrophic situation, and we are increasingly feeling the consequences of this situation, namely, there are serious tensions among the republics. However, if a democratic restructuring is carried out and, as a result, the role of the military factor loses ground considerably, this will not threaten, but rather strengthen the Soviet Union's security. For a nuclear great power, a smaller military force does not mean a defenseless situation.

[Szalay] What are the dangers for us coming from a Soviet Union kept on a diet when some of its nuclear devices could get into the hands of nationalist or split forces? Or is it not even worth considering such a possibility?

[Horn] This would represent a serious danger, but I am confident that the Soviet Union is also aware of this danger. A disintegrating Soviet Union, or one in a state of continuous serious instability would have serious consequences for us all. The same applies to the case of a possible destabilization in Yugoslavia.

We continue to be interested in a balanced and civilized situation in the neighboring countries, including Romania. Naturally, every country wants stable conditions in the surrounding areas, because one can properly negotiate and come to an agreement, as well as to settle our common problems, only under such conditions.

Nyers Sends Letter to Gorbachev

AU0203113490 Budapest NEPSZABADSAG in Hungarian 1 Mar 90 p 3

[26 February letter from Hungarian Socialist Party Chairman Rezso Nyers to Soviet leader Mikhail Gorbachev]

[Text] Dear Comrade Gorbachev!

I would like to express my satisfaction and thanks for the serious progress that has been achieved on basic issues in accordance with the agreement reached at our meeting held in July 1989.

We agreed that it is necessary to accelerate the withdrawal of Soviet troops from Hungary. Consequently, the Hungarian and Soviet governments, and the experts began negotiations that came close to a final agreement. Making use of this opportunity, I would like to inform you, Comrade Gorbachev, that the Hungarian Socialist Party [MSZP] is in favor of and is urging the signing of this agreement as soon as possible, all the more so because our parties played a pioneering role in including this important issue in the reform process.

We also agreed to shift to accounting in convertible currency, rather than in rubles, in our bilateral trade. Certain preparations in this respect have already begun, but I think that we can mutually conclude that progress in this area is not satisfactory. This can be seen especially today when the problems deriving from nonconvertible currency and inflexible trade are causing direct problems to the Hungarian economy and to employees. At the same time, these problems hinder our bilateral cooperation. Therefore, the MSZP is urging a comprehensive settling of these problems as soon as possible, by considering our mutual interests.

Dear Comrade Gorbachev!

The MSZP's position concerning the aforementioned issues is well known, and we think that this position is in harmony with our national interests; we are sure that the situation is similar on the Soviet side, too. Therefore, in working out a solution, we support the Hungarian Government and we propose that you should continue cooperation in a similar direction with the new Hungarian Government to be formed after the free elections.

Confirming our agreement, I ask you to continue to follow with attention the activity carried out on these issues. At the same time, I express my hope that the reform process under way in the Soviet Union will advance successfully by overcoming its difficulties.

I wish you good health and success in all this.
Budapest, 26 February 1990.
Rezso Nyers.

Trade Mechanism Debated With USSR

LD0103202590 Budapest MTI in English 1553 GMT 28 Feb 90

[Text] Budapest, February 28, 1990 (MTI-ECONEWS)—Since no bridge-gap solution about how to phase out Hungary's short-term balance surplus with the Soviet Union— which amounts to almost 800 million roubles—has been found, the 1990 trade agreement between the two countries is unlikely to be signed before March 10.

This is something which has never occurred before: The agreement has always been ready for signing by mid-February.

Under the agreement to be signed with the IMF, Hungary must reduce its massive trade balance surplus with the Comecon [Council for Mutual Economic Assistance] countries—which amounted to 550 million roubles last year—to zero.

A debate has ensued because the Soviet side apparently cannot see how it can increase deliveries to reduce its trade deficit with Hungary, in a way that would suit the Hungarian requirement.

Instead, the Soviet side actually want to cancel some Hungarian shipments of machine industry products—amounting to almost half of the deliveries—but at the same time. Soviet importers are counting on Hungarian deliveries of foodstuffs and consumer goods continuing in quantities similar to those of past years.

Hungary, on the other hand, wishes to cut export deliveries proportionally in all branches of industry.

Hungary plans to cut back on Soviet exports by at least 20 per cent in the course of the year.

As a consequence, the nine-billion-rouble bilateral trade turnover of 1987 would be reduced to seven billion roubles this year, and Hungarian exports would make up three billion roubles of this amount.

The Hungarian Ministry of Trade ordered rouble export permits to be cancelled as of January 24, something which had already had a notably favourable effect on the Hungarian balance surplus by the end of February.

And this, despite the fact that the balance showed a surprising increase of 250 million roubles in the first half of January, which prompted the government action in the first place.

According to Hungarian Planning Office Estimates, reducing deliveries to the Soviet Union could lead to a 2-2.5 per cent drop in Hungarian industrial output, but will not entail a notable increase in unemployment, reckoned to reach 50,000 this year.

Other experts feel that reducing Hungarian machine industry exports by between 30-40 per cent will have an especially adverse effect on the 10 or 15 large Hungarian enterprises which manufacture directly for the Soviet market, and that necessary lay-offs could well involve as many as 80,000 people.

Szuros Meets Retired Romanian Deputy Premier

LD0103232490 Budapest MTI in English 1847 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—Matyas Szuros, interim president of the Republic of Hungary, met in his office Janos Fazekas, retired deputy prime minister of Romania, on Thursday.

The Romanian political official gave a briefing about the position of Romanian Hungarians. The present state and future of bilateral relations was also discussed.

Antall Describes Paris, Bonn Trips

LD0103223990 Budapest MTI in English 1554 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—There is a strong election fight in progress in Hungary, but there is not the least sign that any sort of anarchy is threatening, or that extremist emotions are breaking loose, said Jozsef Antall, prsident of the Hungarian Democratic Forum [HDF], during his talks in France.

Antall informed the Hungarian press on Thursday in Budapest, having returned form visits to Paris and Bonn.

Antall said his negotiating partners were mainly interested in the withdrawal of Soviet troops, the relation of Hungary towards Europe, and issues related to German reunification, and the related views of the HDF.

With respect to the details of his talks, Antall said Laurent Fabius, president of the French National Assembly, offered the methodological and technical assistance of the French parliament to the future Hungarian parliament. A 50-member delegation of the French senate is to visit Budapest in April. The French financial circles played a prominent role in Hungary receiving support totalling 1,000 million dollars. In the course of his talks in France, discussions were held about support of a similar amount.

At talks with representatives of French economic organizations, it was heard these wish to provide assistance to the extension training of experts free of charge. Both the president of the HDF and the French experts stressed the importance of upholding Hungarian solvency, as opposed to the proposal raised by certain Hungarian political parties, under which repayment of the debt stock should be suspended.

Horn Receives UK Foreign Secretary for Talks

LD2802113590 Budapest Domestic Service in Hungarian 1100 GMT 28 Feb 90

[Text] British Foreign Secretary Douglas Hurd has begun talks in Budapest. He first met with his host, Gyula Horn; he then will be received by interim President Matyas Szuros and Premier Miklos Nemeth.

Douglas Hurd will hold discussions this afternoon with leaders of the Hungarian Democratic Forum and the Alliance of Free Democrats. When he arrived, the top British diplomat said that the objective of his visit is to obtain personal impressions about the internal political situation of the country, which is preparing for free elections.

On the Hungarian part, it is hoped that the British government will encourage the investment of private capital in our country.

Horn, Hurd Hold Talks

LD2802235990 Budapest MTI in English 1459 GMT 28 Feb 90

[Text] Budapest, February 28 (MTI)—Douglas Hurd, secretary of state for foreign and commonwealth affairs of the United Kingdom of Great Britain and Northern Ireland, currently on an official visit to Hungary, held talks on Wednesday with Hungarian political leaders.

His first meeting was with Foreign Minister Gyula Horn.

Reviewing the development of Hungarian-British cooperation, Mr Horn noted with satisfaction that bilateral contacts are very intensive, and good opportunities exist to further these.

He explained that the Hungarian government was not led by party policy aims when expanding relations in the past: Rather, it kept the country's long-term interests in view.

Accordingly, Hungary will continue to count on British support in realizing its reform efforts. This will be all the more necessary now: While the change in political system has, for the most part, been carried out by relying on internal sources, eliminating the consequences of the past four decades in the economy and the cultural sphere will be impossible to achieve from internal sources alone, Western support will have to be utilized.

The Hungarian side encouraged the British Government to accept a more active role in supporting Hungary in transformation efforts. The best way it could do this would be by outlining the major opportunities inherent in the Hungarian efforts, thus encouraging its banks and companies to invest and play an economic role in Hungary.

Hungary would also like Great Britain to promote the earliest possible conclusion of the agreement between Hungary and the International Monetary Fund. (The IMF board will shortly pass a final decision about the loan contract, as expert talks have now been concluded.)

An early decision is important for Hungary since its other financial possibilities depend, for the most part, on the agreement.

Mr Horn noted with regret that no progress had been made in easing the COCOM [Coordinating Committee on Export Controls] regulations, although Hungary is ready to accept guarantees for products falling under the COCOM scope of authority.

Reacting to what he had heard, Mr Hurd began his remarks with the principal agreement that Great Britain follows the reform processes taking place in Eastern Europe, and within this in Hungary, with great attention and appreciation. [MTI take two not received]

At the root of the idea is that Hungary was perhaps the most-suffered loser of World War Two which had to pay the greatest price during the postwar settlement. A major part of the country's territory and population was detached, and Hungary came under Soviet hegemony on the pressure of the Stalinist model. The 1956 popular uprising served with proof that the great powers can basically give no support whatsoever against the hegemony.

Amid the changing system of European conditions, Hungary had to look for new bases for guaranteeing its security. Reintegration into Europe can be such an assurance, and Hungary has made a number of important steps in this direction. The initial hostility to Hungary's attempts along this line on part of its allies has radically changed. The Polish and Czechoslovak administrations have set out on a similar road. The establishment of relations between Hungary and the North Atlantic assembly fits into this general framework of contact building.

Hungary's cautious moves towards the NATO organization, however, did not meet with success in the Warsaw Treaty. When in November 1988 the Hungarian foreign minister spoke about the excessive armament of the Warsaw Treaty at the Political Committee of the North Atlantic Assembly, his allies' response was rather cool. Gyula Horn believes that now that reaction was repeated.

Analysing the further path for Hungary to go, many take a stand for neutrality. In the view of Gyula Horn, although the possibility of neutrality cannot be ruled out, historic experience shows that if the great powers cannot provide sufficient assurances with the sole guarantee being the Soviet Union, neutrality would be quite a fragile condition.

As a follow-up to the idea, Gyula Horn pressed for a break with the bloc-logic which stalls the European processes and confines the notion of balance to its military aspects. Accordingly, the real way out for Hungary on long term lies in the convergence, rapprochement and prospective merger of the two alliance systems.

Naturally, the Eastern European developments, mainly the changes in the Soviet Union, comprise a number of unpredictable elements which also carry the danger of Hungary's becoming defenceless. This is one reason why it is so important for the country to reinforce its European links.

Nevertheless, Horn said, in its pursuit of ways for returning to Europe, Hungary should not act to the detriment of the Soviet Union: It has to find the appropriate method of European integration with regard to the Soviet interests, in keeping with the all-European processes.

Concerning the issue of German unity, the Hungarian foreign minister was of the opinion that the unification of the two German states was inevitable.

Speaking about the Soviet troop withdrawal, Horn pointed out that an agreement was shortly to be concluded with the Soviet Union, under which the Soviet units would probably leave Hungary during 188 [as received] months.

Discussing the Romanian situation, Gyula Horn drew the attention of Douglas Hurd that Hungary would soon become a collecting site of refugees. Currently nearly 35,000 Romanian refugees are staying in the country and the influx continued in January. It adds to Hungary's

troubles that it does not receive adequate international assistance for settling the position of refugees.

Horn also pointed out that his visit to Romania last December had resulted in an agreement on a 18-point settlement schedule, but so far only the cooperation project related to frontier rivers had been realized.

On the other hand, Hungary could not open its consulate general in Cluj despite repeated pressing, and great Romanian nationalistic attitudes have gained impetus in some circles. Hungary wishes these unfavourable phenomena to be settled in the Helsinki spirit. Douglas Hurd agreed that, if need be, the Romanian Government should be warned of its commitments posed by the Helsinki process.

Following the foreign ministerial talks, Matyas Szuros, interim president of the republic, met Douglas Hurd in the parliament building. Afterwards, Miklos Nemeth met the British foreign minister.

Further on Hurd Talks

LD0103000490 Budapest MTI in English
2216 GMT 28 Feb 90

[Text] Budapest, February 28 (MTI)—As reported, Prime Minister Miklos Nemeth met British Foreign Minister Douglas Hurd in Budapest on Wednesday. During the talks, the Hungarian prime minister pointed out that the visit of the first man in British diplomacy was not only for the current government, but would also lay foundations for the future cooperation between the two countries.

Following Douglas Hurd laid a wreath on the Hungarian heroes' monument at Heroes' Square, and then attended the gala lunch given by Foreign Minister Gyula Horn.

In the afternoon, the British foreign minister, accompanied by Ambassador John Birch and his colleagues, paid a visit to the centre of the Hungarian Democratic Forum [HDF], where he was welcomed by vice-presidents Sandor K. Keresztes and Ferenc Kulin, board member Gyorgy Szabad, and experts Akos Peter Bod for economic and Gyula Kodolanyi for foreign affairs.

In the course of the discussion, Hurd said that Great Britain was following with great interest the Hungarian elections and the democratization process the support of which constitutes an important part of Britain's active European policy. He appreciated HDF's role in the struggle for eliminating the dictatorship and bringing about democracy. Britain understands that the HDF is paying particular attention to the position of Hungarians beyond the border.

Douglas Hurd, accompanied by John Birch, visited the office of the Alliance of Free Democrats (AFD) in late afternoon. The talks were attended by acting party president Janos Kis and executives Miklos Haraszti and Laszlo Rajk. The AFD leaders informed the guest on the economic programme and political plans of the organization.

Afterwards, Douglas Hurd paid a visit to the Karl Marx University of Economics.

Szuros Receives New Argentine, Mexican Envoys

LD0103222890 Budapest MTI in English
1616 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—Matyas Szuros, interim president of the Repubic of Hungary, on Thursday met Guillermo Jorge McGough, ambassador extraordinary and plenipotentiary of the Argentine Republic to Hungary, who presented his credentials.

Also on Thursday, Szuros met Luciano Joublanc, ambassador extraordinary and plenipotentiary of the United Mexican States to Hungary, who presented his credentials.

National Assembly Session Continues

LD0103102190 Budapest Domestic Service in Hungarian 1041 GMT 28 Feb 90

[Speech by Justice Minister Dr. Kalman Kulcsar at the National Assembly session in Budapest—live]

[Text] Honored National Assembly: I will try to summarize very quickly this bill that is aimed at repealing a large number of laws and decrees.

In accordance with the decision by the Council of Ministers in 1989, wide-ranging public administration and economic deregulatory work has begun under the direction of goverment commissioners in both fields. The audit of this deregulation in both of these areas so far is favorable because the public administration deregulatory council and the economic deregulatory council, during their short period of operation, have repealed over 1000 orders, decisions, or normative directives. Simulataneously, a great number of updating modifications have been carried out in the drafting of legislation in both the public administration and economic fields. However, both public administration and economic deregulations are hindered by the existence of laws and decrees that are now obsolete. However, without repealing or amending them, the modernization of legislation at a lower level can not be envisioned.

The final elimination of these obsolete laws and decrees from the Hungarian legal system and their replacement with such new laws of major importance as, for example, the law on local or regional self-government, in the field of public administration, or the enactment of the law on competitive pricing or the trading law, in the economic field, obviously await the new National Assembly. Even before then, however, it is necessary to repeal the most blatantly obsolete provisions of the existing laws that are preventing modernization.

The bill before the honored Assembly basically aims to serve this purpose. The presentation in one bill of a text that is heterogeneous and difficult to survey was a decision born of expedience, but we have provided an explanatory aid for the representatives to enable them to evaluate and appreciate the connections.

The bill contains, on the one hand, the urgent, very significant changes needed, even during the period of transition, and on the other hand, the elimination of regulations that are obsolete, politically harmful, and some that exist only in form and that place an unnecessary burden on the legal system.

Honored Assembly, the first part of the bill contains the basic provisions proposed by the government commissioner concerning the deregulation of public administration. The aim of this clause of the bill is the harmonization of the legal provisions for public administration with the new constitution, the maintenance of the provisions for the democratic operations of the councils durinng the period of transition, the dismantling of the remains of central direction, and the incorporation of regulations strengthening the characteristics of democratic self-government. Its further aim is the establishment of guarantees for the constitutional protection of citizens' rights until the introduction of the public administration courts.

As is known, the honored Assembly did not wish to consider during this session the law concerning the public administration courts, thus these regulations are necessary.

The abolition of certain regulations resulting in the defenselessness and dependency of citizens and public administration is also an aim of the bill, and, last but not least, the dismantling of state monopolies in certain areas of the provision of public necessities, undertaken by the state and directed by the public administration, and opening this to the competitive sector or the private sphere.

Honored Assembly, the aim of the second part of the bill, concerning economic deregulations, is the repeal of regulations unnecessarily restricting the mobility of economic undertakings, the removal of discrimination placing them in a disadvantageous position in the economic competition, or provisions for unjustified advantages. The modifying proposals are aimed at facilitating the market economy's speedier development.

I would mention two of the wide range of fields, the modifications concerning state enterprises and those concerning changes in the winding-up procedures. Several times National Assembly representatives also indicated that the problems of separating internal economic units of large undertakings have not been solved yet. It restricts the freedom of economic competition if organizations that enjoy power advantages can be created and maintained. The regulation of this field would belong to the competition law. Until the adoption of a competition law, until the establishment of a competition or cartel office, it is necessary to guarantee the possibility of eliminating organizational distortions. The proposal, therefore, transitionally gives the right to the founding body to dismantle the large enterprise. The existence of large organisations endangers the freedom of economic competition and causes long-term market restrictions and economic power advantages. In addition, the proposal provides the opportunity for the separation of factory units of large enterprises under the protection of judicial courts.

Karpati Supports Amendments

LD0103121290 Budapest Domestic Service in Hungarian 1017 GMT 1 Mar 90

[Speech by Defense Minister Ferenc Karpati at National Assembly session in Budapest—live relay]

[Text] Esteemed National Assembly: The government has asked with urgency that the National Assembly put the Defense Law amendment on the agenda. [passage indistinct] guarantee the constitutional supervision of the functioning of [words indistinct] armed forces. This legislative activity, however, has not come to an end with the adoption of the Constitution. For while the Constitution has laid down the constitutional conditions for the proclamation of the state of emergency, or the state of extraordinary circumstances, as well as for the use of extraordinary powers during this time and for the parliamentary control of its implementation, nevertheless it is justified to enter these changes also in the Defense Law, which contains the complex regulation of the country's defense.

The Constitution contains the president of the republic's sphere of responsibility as commander in chief; however, the Defense Law has to determine the detailed sphere of influence and rules of this. For this reason, the law has to be modified and the rules containing this modification figure in the proposal that is now up for discussion.

The Army's national character, and the current defense concept, require an effective armed force free of party political influence, one that keeps in view the nation's interests, and, above all, one that is not exposed to the political changes of a given time, to the political conflicts [passage indistinct] that no political factor should be able to appropriate the right to dispose over the Armed Forces, and to use them in accordance with its own purposes. This can be achieved only in a system of direction where the Army is under military and not political leadership, and where the public administrative government organs that group the political forces together can carry out the direction of the Army exclusively within the frameworks of the spheres of responsibility laid down in the law.

The determining of sphere-of-responsibility rules has already taken place in a government decree, in accordance with the current rules of legislation. Whereas, on the other hand, the direction of the Army also requires

constitutional guarantees, it is necessary to enshrine in a law the rules containing the spheres of responsibility of direction.

In accordance with what has just been said, the draft contains the new spheres of influence of the defense minister and the Hungarian Army [magyar honvedseg] commander, and by virtue of separating the governmental, administrative, and military leadership spheres of responsibility relating to the direction of the Armed Forces, it also fully satisfies the principle of the separation of power between branches.

In the course of the debate on the draft bill, the concern was raised in several places as to whether such power could not pass into the hands of the republic's president, which could be suited for building up a dictatorial system. I consider these concerns unfounded. The rep[ublic's president can exercise his sphere of responsibility relating to defense only along with the supervision of the National Assembly. This is precisely defined by the Constitution. And the activity of the executive power stands under the Constitutional Court's supervision. In the terms of the law you adopted earlier, any government decision can be put under the Constitutional Court's supervision.

I am persuaded that the present law amendment accords with the spirit and provisions of the amended, valid Constitution, which says that the parties cannot exercise executive power directly. In accordance with this, no party can direct any kind of state organ. The absolute guaranteeing of this in regard to the Army, the Armed Forces, is of particular significance. For this reason I ask my dear fellow deputies to be so kind as to adopt the draft bill.

If you will allow, I would dwell on just one more issue with regard to the defense law. Deputy Gabor Roszik raised the question of women's compulsory military service. The Constitution extends also to women, in respect of the liability to military service, in a war, in a state of emergency. The Defense Law formulates this in the following way. The liability to military service extends only to women with specific professional qualifications or employment, and applies to the years from their 18th birthday to their 45th birthday. It contains the obligation to appear and report themselves, which is necessary for being put on the register. Until now, women who have professional qualifications in health affairs have been registered, and in accordance with this they have been issued with military identity cards. I took a measure on this last year. I consider their registration unnecesary in a calm, balanced, peaceful period. We will be withdrawing military identity cards from those who have been issued them.

I once again ask the National Assembly to adopt the submitted proposal.

Agency Director Appointed

LD0103160190 Budapest MTI in English 1407 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—MPs (Members of Parliament) today held a secret ballot on who should be acting director of the State Asset-handling Agency.

Two candidates were nominated: Janos Martonyi, government commissioner for privatization, and Istvan Tompe, deputy minister of finance.

With 212 votes, Istvan Tompe becomes acting director of the State Asset-handling Agency for the next five years.

Debate on Taxes

LD0103225590 Budapest MTI in English 2145 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—As reported, in the prolonged debate on the interest tax at the parliamentary session on Thursday, Budapest MP [Minister of Parliament] Frigyes Tallossy cancelled his motion about revoking the law concerning the abolishment of taxes payable on state home-building loans. Thus, the law remains in effect.

Debate on the above MP motion was near becoming a question of confidence towards the government.

In response to the motion, Erno Kemenes, president of the National Planning Office, pointed out that the economic policy programme and budget carried by parliament constituted a complex scheme of overcoming the crisis.

"Should parliament adopt the motion, the Hungarian declaration of intent addressed to the board of directors of the International Monetary Fund concerning rationalization of the housing system will lose effect. At stake here is the credibility of the government and parliament, and financing the country," Erno Kemenes said.

On behalf of the parliamentary group of the Hungarian Socialist Party (HSP), MP Csaba Hamori (National List) asked for a break and also proposed the parliamentary factions of the other political groupings to assemble and consider whether they would support the government.

Budapest MP Miklos Tamas Gaspar backed Hamori's idea about the conference, and pointed out it was impermissible for the country to have no government.

After the session of the parliamentary factions, Frigyes Tallossy revoked his motion on abolishing the interest tax, and simultaneously renounced his MP mandate.

2 Mar Session Opens

LD0203095290 Budapest MTI in English 0852 GMT 2 Mar 90

[Text] Budapest, March 2 (MTI)—Parliament began its Friday session at 9 am on Friday.

Lajos Horvath presiding over the session announced that Frigyes Tallossy, MP, who had withdrawn his motion for cancelling interest tax on loans taken out for housing purposes and given up his mandate on Thursday, had confirmed his intention in writing. His resignation was accepted by Parliament.

The next item on the agenda is a motion by Ferenc Sztrapak, MP, for raising minimum family allowances and child care benefits, as well as pensions.

Parliament Adjourns

LD0203103790 Budapest MTI in English 0947 GMT 2 Mar 90

[Text] Budapest, March 2 (MTI)—Reacting to a motion by Ferenc Sztrapak, MP, [Member of Parliament] for raising the minimum family allowance and child care benefit, as well as further raising pensions, Laszlo Bekesi, minister of finance, stressed the lack of conditions for granting the motion.

As the MP upheld his motion, it was submitted for discussion.

Since no one wished to participate in the debate, a vote followed which carried the motion with 183 for, 18 against and 5 abstentions.

Then, the prime minister called for an extraordinary adjournment so as to hold a session of the Council of Ministers.

Election Office Chief Discusses Campaign

AU0103112390 Budapest NEPSZABADSAG in Hungarian 24 Feb 90 pp 1,5

[Report on interview with National Election Office chief Tibor Csiba by Lajos Bodnar; place and date not given: "A New Phase in the Election Campaign"]

[Excerpts] We have come to an important date in the preparations for the elections. The one-month deadline set for the gathering of nominating slips ended yesterday. A new phase in the election campaign has started, the situation is becoming clearer, and soon we will know who succeeded in gathering the necessary 750 nominating slips. We interviewed Tibor Csiba on the upcoming tasks of the election bodies.

[Bodnar] One of the important—albeit far from silent—phases of the free elections to be held in March has come to an end. From the viewpoint of the election bodies, how would you evaluate the nominating campaign?

[Csiba] I think that a rather difficult phase has just come to an end because we had to struggle with all the problems inherent in the novelty of this campaign. This apparatus has not yet participated in preparing such a multiparty election campaign. Every regulation and solution, including the formulation of the simplest leaflet, was new for us. We had to formulate these leaflets while we did not know how many candidates would actually run in the official elections. However, the necessary forms have already been printed, but we still have problems with the formulation of voting cards, particularly on the technical aspect of connecting the lists.

[Bodnar] What is your experience concerning the citizens' activity?

[Csiba] Naturally, this combined model—including elements of individual and list elections—is new for the population. Therefore, already in the election campaign's first phase, we tried to inform our citizens about the most important things they should know. We ordered more than 300,000 copies of advertising material and posters, but, unfortunately, according to our experience, not all of these posters were used, and our citizens still lack information. [passage omitted]

[Bodnar] When will you publish the final list of candidates?

[Csiba] The election bodies have three days at their disposal to gather the nominations in every district. The apparatus working on behalf of the National Election Committee is also putting the candidates' names in the computer. [passage omitted]

[Bodnar] When will the public know the official list of candidates?

[Csiba] The competent election committee will publish the candidates' names, including the number of the lists, by 28 February. [passage omitted]

[Bodnar] What funding will the candidates who make it to the elections receive?

[Csiba] This can be decided only when we have the exact number of authorized candidates. The sum the deputies can count on depends on the number of candidates among whom this fund of 100 million forints will have to be divided. [passage omitted]

Committee Establishes Candidate Support Funds

LD0203110590 Budapest Domestic Service in Hungarian 1730 GMT 1 Mar 90

[Text] The National Election Committee decided that the candidates are to receive 25,000 forints each in support funds.

The 100 million forints adopted by the National Assembly was determined according to the number of mandates that could be obtained de facto, but as it is known, the parties can put forward twice as many

candidates on the lists. Thus, the 25,000 forints can be received only by some 4,000, as opposed to the more than 5,300 candidates.

Interior Ministry To Handle Election Vote

LD0103220690 Budapest MTI in English 1145 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—The Ministry of the Interior has gone back on the contract with the State Demographic Office (ANH), as it plans a direct toting up of votes at next month's parliamentary elections.

Giving the reason for the decision, Tibor Csiba, head of the Interior Ministry's Election Office, said that the system the ANH would have used was so centralized that even election committees would not have been able to supervise proceedings, which cast doubts on proper control.

The system the ministry will use will be absolutely open.

It will work like this: Records prepared in the constituencies will be faxed from the regional centres to the national electoral committee, so that each copy of the records can be checked in an instant.

Parallel to this, a courier will deliver attested records to the committee.

Mr Csiba added that another reason for breaking the contract with the ANH was that that service would have cost 120 million forints, while the system the Interior Ministry has devised will come to only 10-20 million forints.

Free Democrats Protest

LD0103222790 Budapest Domestic Service in Hungarian 1830 GMT 1 Mar 90

[Summary] Following the Ministry of Interior's surprising decision to cancel the contract with the ANH [Allami Nepessegnyilvantarto Hivatal], i.e., the State Demographic Office, on the grounds that according to the ministry the computer-processing method of the office cannot guarantee the cleanness of the computation of the votes, the SZDSZ [Alliance of Free Democrats] held a news conference today. They believe this change is a "pre-planned sowing of confusion."

"[Unidentified correspondent] The ministry canceled the contract after three days of negotiations.

"[Unidentified speaker, on behalf of ANH] They told us during the negotiations that there is a shortage of money. This may be accepted, while, on the other hand they saw our system "as a kind of black box, which is undoubtedly a closed system from the point of view of putting in and transferring data. That is, nobody else can input data nor transfer data through it but the person who is authorized by the election law."

At the SZDSZ news conference, the computer system's controller detailed the methods that made the system foolproof against any interference.

"[Unidentified correspondent] Why did you cancel the contract with the ANH?

"[Unidentified speaker, on behalf of the Interior Ministry] We think we can execute this simple open system at roughly one-tenth of the price. [passage omitted] At the beginning, when we awarded the contract to the ANH we did not know this because we are not computer experts.

"[Unidentified correspondent] Do you not think the elector will lose faith in you?

"[Unidentified speaker] Here, in connection with this, we know we are responsible but I would like to believe society will understand if we execute this [election result counting] in a completely open fashion, comprehensible to everyone, and at a tenth of the cost."

At the SZDSZ news conference, we heard the ministry will use fax instead; the two 11,000 territorial tests will be faxed to the counties and from there to the center. According to experts at the news conference, the empty lists can be filled and faxed by anybody, and he can also modify the lists. The fax is accessible to everyone. What is more, the ministry will have to pay the 33 million [currency not specified] already incurred by the ANH in costs.

According to the SZDSZ, "not only the fairness of the election but its inviolability, too, has become endangered."

Szuros Discusses Summit Meeting of 12 Parties

LD0203022190 Budapest MTI in English 2155 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—Matyas Szuros, interim president of the Republic of Hungary, has recently met leading officials from the 12 parties which put up national lists. The discussions focussed on the preparations for the summit meeting of March 5.

Speaking to MTI's correspondent, Szuros said that all parties had declared the intention to attend the summit where three central themes would be discussed.

The first issue will be peaceful transition. Matyas Szuros was of the opinion that the 12 parties would perhaps be able to agree on refraining from all moves, primarily protests and strikes, which may jeopardize peaceful transition and increase social tension.

The second theme will be how to treat the situation after elections, that is how to ensure the continuity of state life, including the operations of the state apparatus, the professional apparatuses, the institutions of public administration, the Army and the police.

The third problematology covers such topical issues as the purity of elections and the electoral campaign.

None of the parties disputed these subjects, only the Federation of Young Democrats wishes to add to the agenda the question of Soviet troop withdrawal, the account of HSP [Hungarian Socialist Party] assets and, in this context, the "ownership" of county newspapers.

Foundations Formed for 'Law-Governed State'

LD0203015990 Budapest MTI in English 2000 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—"The constitutional amendment adopted during the February session of the National Assembly has laid the foundations for a law-governed state. With this, the first stage of the shift in political system has come to an end in Hungary." Justice Minister Kalman Kulcsar told a news conference in Budapest on Thursday.

Kulcsar said that legislation had assumed a tremendous role in the unprecedented historic process in Hungary. The amendment to the Constitution, which came into force on October 23, gained outstanding importance by doing away with the Stalinist traits of the 1949 basic law. Similarly important were the key laws drafted last year and the other legal rulings of high level. As a lawyer, Kulcsar believed the laws proved suitable for guiding the transition and were essentially satisfactory from the political angle, too.

With regard to disputes what scope of authority the president of the Republic should have and how he should be elected, Kalman Kulcsar pointed out the debate had now been concluded in the constitutional sense: Parliament had changed the basic law accordingly at an MP's initiative. In the political sense, however, the situation is different, since the head of state has to be elected within six months from the founding parliamentary session, and the period until then may pass amid uncertainty. A solution could be like at present when the speaker of parliament fills the post on a temporary basis.

The minister recalled that the idea of introducing the two-chamber parliamentary system had been rejected at the political coordination talks almost by all political forces, although it could have allowed for the parliamentary representation of the national minorities and the churches.

In the absence of a two-chamber parliament, the National Assembly chose the best possible method by permitting the minorities to send their delegates to legislation.

Asked by the Czechoslovak radio correspondent to compare the Czechoslovak and Hungarian practice related to the minorities' parliamentary representation. Kulcsar said that the latest meeting of the Council of Europe foreign and justice ministers had accepted his proposal that a committee, to be set up under the name "With Law for Democracy," should deal with the legal settlement of minority problems in Europe. He said he saw the sole solution in Eastern Europe in granting complete autonomy to the minorities and recognizing both their human and collective rights.

Pozsgay Says HSP Not Responsible for Past

LD0103202990 Budapest Domestic Service in Hungarian 2100 GMT 28 Feb 90

[Text] Imre Pozsgay stated the Hungarian Socialist Party [MSZP] intends to be a determining factor in parliament even after the elections. Speaking at a mass rally in Miskolc, the leading name of the MSZP electoral list opined that it is not his party that was responsible for the crimes of the past 40 years, for it was the socialists who created the possibility for transforming the regime. Discussing the state of the economy, Imre Pozsgay especially mentioned the importance of political stability.

On Election Campaign

AU0103121890 Vienna KURIER in German 1 Mar 90 p 5

[Report on interview with Hungarian State Minister Imre Pozsgay by Georg Berenyi; place and date not given]

[Text] He initiated the new assessment of the popular rising of 1956, promoted the settling of accounts with the dictatorship of the Communist Party, and became the "father" of reform in Hungary. Today, State Minister Imre Pozsgay draws up a disillusioned balance sheet and expresses the following views:

—On the style of the election campaign: "What irritates me is the mudslinging and the brutality that increasingly dominate the political scene. Some people have already started to complain that in the great East European revolution, Hungary, has fallen into last place. I do not share this view: At least no blood was shed here as a consequence of the change of system. However, I am now seriously concerned about this "lagging behind."

—On the danger of violent disputes: "There has been an increase in violence during the election campaign—ranging from political robberies to physical attacks, for example only recently on former Communist Party head Karoly Grosz. Such methods point toward the direction of civil war. If right-wing forces announce that they will settle accounts with the Communists and their fellow travelers, they play with fire just as the Stalinists and certain trade unionists do with their social demagogy. The fact that the government has announced cuts at the very time of the election campaign increases the tension among the people. Those parties that try to benefit from this run the danger of making the country ungovernable and driving it into a

new dictatorship. Irrespective of the political direction, this would only make the people suffer and cause the Balkanization of Hungary and not its integration in Europe."

—On threats from the outside: "Even if Gorbachev were to fail, I no longer see any danger for Hungary. Following the changes in the other East European countries, there is as much risk of a Soviet intervention as there is of a new world war, that is, practically none."

—On the election chances of his party, which moved away from Communism: "Until 25 March, the Hungarian Socialist Party [MSZP] will have overcome its 10.8-percent low in recent opinion polls. We will convince the voters that we are not communists but the authentic left, a force that might not be in the next government but that ought to have a say in parliament. Otherwise, I would be pessimistic. I fear that everything might end in chaos with the parties greedily fighting for positions. A parliament without strong parties would be unable to make laws but would only produce one government crisis after the other. Sooner or later, 'saviors of the nation' might emerge and promote the 'only safe way out'—the way into a dictatorship..."

—On the future role of the president: "A strong president could guarantee the Hungarian path in the transition period. Had the presidential elections not been postponed—by which I, as the MSZP candidate was greatly disappointed, we could have spared ourselves the loss of confidence in the state institutions and these really disgraceful abusive remarks against the government.

Democratic Forum's View on Minorities Issue

LD0103205290 Budapest MTI in English 2207 GMT 28 Feb 90

[Text] Budapest, February 28 (MTI)—"The nationality issue has to be settled in the interest of the minorities' survival. Without this, it will be difficult to achieve the much-desired peace in Europe. The Hungarian Democratic Forum has from the outset espoused the minority affairs and taken a stand for resolving them," Lajos Fur, member of HDF's national presidium, told a news conference in Szeged on Wednesday.

Journalists were told that the HDF wishes to see the setting up of a ministry of minority affairs, and should it have the opportunity, it will organize such a national authority.

Socialist Party Discusses Property

LD0203093390 Budapest Domestic Service in Hungarian 1730 GMT 1 Mar 90

[Excerpt] The Hungarian Socialist Party [MSZP] held a news conference today, where the question of land was discussed. Jozsef Orosz reports;

[Orosz] The Socialist Party regards the desire of certain parties to settle the question of the land according to the 1947 conditions as political fraud.

Pal Vastagh, leader of the party's provincial secretariat, quoted statistics based on the 1948-49 census, in which there were 283,000 destitutes and 250,000 poor peasants in the country. If certain people now really want to reinstate the land ownership of that time in Hungary, this strata of the poor will reappear again.

The Socialist Party wants to solve the question of land starting out from the present situation. It voiced concern about whether Hungary will survive the liquidation of the large agricultural state farms after the destruction of small and large estates.

The party thinks that the food supply in the country would be endangered, and it would also be dangerous if large numbers of workers enter the agricultural sector because this would cause price increases. The new workers will have to be paid, and this could only be done through the agricultural prices. [passage omitted]

State Assets Official Views Privatization

LD0103224590 Budapest MTI in English 1618 GMT 1 Mar 90

[Text] Budapest, March 1 (MTI)—Istvan Tompe, the now elected acting director of the state asset-handling agency, met journalists in a break in the parliament session. Discussing the organization he is to lead from March 1, Tompe said the task of the agency is mainly to control spontaneous privatization, and to protect assets.

At the same time, it does not wish to interfere into issues of property reform, as this will be the task of the next parliament. The acting director was of the opinion that the state asset-handling agency will be closed down when the property reform is completed, with the transformation of property relations.

Tompe added that privatization, the change in property relations is a several-years-long process. Thus, some 10 to 12 years are needed for the proportion of state property to drop from the current 80-90 per cent to around 20 per cent in the domestic economic structure.

The most important task related to privatization is to create the independent financial accounting of the self-government [as received] and endowing them with property, Tompe said.

Walesa Doubts Possibility of Border Problems

LD0103232290 Warsaw PAP in English 1906 GMT 1 Mar 90

[Text] Gdynia, March 1—Speaking about a possible threat posed by the unification of two German states to Poland Solidarity leader Lech Walesa told a press conference here today that he could not imagine anyone could touch Polish borders. Still, we should remember Europe's experience with Germany (in the past), Walesa cautioned.

At the conference held at the naval shipyard in Gdynia, the Solidarity leader also referred to Polish reforms and relations between economic and political changes in the country.

Voices Desire To Resign

LD0203013590 Warsaw PAP in English 2310 GMT 1 Mar 90

[Text] Gdansk, March 1—I cannot imagine anyone could violate our borders, Lech Walesa stated at a press conference attended by the crew of the navy shipyard in Gdynia (outside here) today.

We must be careful however, he added, because the world does not definitely proceed along the road of peace and integration and it is not known whether the Solidarity's romantic dreams of one Europe will come true.

Speaking on the transformations in the USSR, Walesa stated that in the 21st century a structure based on force, fear and subjugation cannot be maintained and added that the Soviet Union has to carry on its reforms more cautiously than Poland.

Referring to his talks with representatives of Western countries, Lech Walesa opined that barriers for extension of cooperation lie in Poland. Our bureaucratic system, he said, incompetence, or even lack of knowledge of foreign languages hinder contacts.

Lech Walesa stated that he had no remarks on General Jaruzelski's activity as Poland's president. He added that the alignment outlined at the round table is inadequate now, but the process of changes has to take time.

I respect Kwasniewski (leader of the Social Democracy of the Republic of Poland), Walesa declared, but the manoeuvre he took made me furious. That party is bound to fall down as it has no chances, but he disturbed me, I cannot make a move. Now we must wait if the masses support him or not.

Lech Walesa confirmed that he would like to resign from the Solidarity leadership and rest but he had not taken a final decision yet. A lot of people have staked on me so I do not know, he said.

Lauds Jaruzelski's Noninterference

LD0103193990 Warsaw Domestic Service in Polish 1800 GMT 1 Mar 90

[Excerpts] During the latest of Lech Walesa's open news conferences, organized this time at the Dabrowszczakow Naval Dockyard in Gdynia, the Solidarity chairman was asked about his attitude toward President Wojciech Jaruzelski.

[Begin Walesa recording] Of course, I, too, remember 13 December and all that; I, too, am very displeased with all that, but, at the same time, regardless of whether we like it or not—I could play the demagogue here, I could shout, I could say: No, President Havel's been changed [as heard]—(?what about us then) One could do it like that. However, I look at it from the angle of the Polish reforms, of the security of the reforms and many other things besides. From this standpoint, I reach the conclusion that, yes, I lay the personal responsibility for those things on the general and (?for not understanding) many things completely and (?for not liking) many things—but for the roundtable, for the very fact of it, for many other things after that, and for not interfering in the reforms today, I have to say with a clear conscience that he cannot be faulted. That is the truth. [passage omitted]

In the present set-up, there is too little economic pluralism; political pluralism is not the only goal to aim for. [end recording]

Walesa Meets With Professional Soldiers

LD0103201690 Warsaw PAP in English 1944 GMT 28 Feb 90

[Text] Gdansk, Feb. 28—Solidarity leader Lech Walesa today met in the Gdansk shipyard with representatives of the professional staff of 35 military units from all over Poland.

"The military issues must be arranged in a new way in Poland, but how to do this should is up to you, the professionals," Walesa told the soldiers.

"You can count on Solidarity's assistance but this cannot mean any subordination of the Army to a new monopoly. The Army cannot serve any party any more, only the nation," Walesa told the meeting.

SDRP Outlines Stance on German Reunification

AU0103160290 Warsaw TRYBUNA in Polish 27 Feb 90 p 1

[Commentary by Leszek Miller, chairman of the Social Democracy of the Polish Republic Central Executive Committee: "Leszek Miller Specially for TRYBUNA—First the Guarantees, then Reunification"]

[Text] The sweeping reforms in Poland have now been superimposed on the tumultous European changes.

The political forces of the Polish Republic have the historical duty to take actions to ensure that Poland is not made weaker or isolated. Poland has made an appreciable contribution in shaping the postwar European political order.

In our diplomatic activity, we have systematically highlighted the importance of Central Europe—including the role of the two German states—in the preservation of European peace and security. We continued to strengthen all the existing mechanisms to prevent any questioning of boundaries and any threat of war emanating from the German lands.

The rapid rate of change is worrying a lot of other people besides the Poles.

Under current conditions, we support the process of German reunification. Nevertheless, we consider that this process should take into account all points of view held by other European states, and should not aim at establishing German hegemony in Europe.

German unification is unquestionably linked to the inviolability of Poland's western border. We stress that there is no Polish border problem. There is only the problem of maintaining peace in Europe, today and in the future.

As a party of the Polish left, we are conscious of the fact that a nation which forgets the bad periods of its history is condemned to experience them again, and we cannot accept the argument that German reunification should take place before there is any legally binding treaty that guarantees the inviolability of the Odra-Nysa border. First the guarantee, then reunification. It is impermissible to enter a period of transformations in Europe and the area of Polish-German relations with nagging doubts and ambiguities about Polish borders. We cannot ignore the fact that a republican party has been formed in the FRG, that Nazi groups have appeared in the GDR, and that there are signs of an opportunistic way of thinking about Polish borders by those FRG politicians who already have an eye on winning the upcoming German elections. These developments are a warning sign to us.

We support all Polish Government efforts to secure an unequivocal confirmation of our western borders in a legally recognized treaty and tha attempt to secure Poland's presence at a future conference of the Four Great Powers and the two German states.

Our security and our essential interests in Europe depend on the attitude of the Poles themselves, the strength of the state, its economic and technological capability, and the level of its culture. Nevertheless, favorable external conditions are also important for our raison d'etat.

We strongly emphasize the values that stem from the friendship and alliance with the Soviet Union, and the joint role played by the United States and the Soviet Union in shaping a new European security system.

We support the idea that seeks to create a new security system and a "common European home," with the joint participation of all the countries of our continent, and the continuation of the CSCE process. At the present time this process can introduce new values of cooperation and rapprochement between European nations.

The Social Democracy of the Polish Republic declares its readiness to cooperate with all forces that perceive contemporary Polish interests in a similar way in a world that is rapidly changing.

Senate Speaker Opens 20th Plenary Session

LD0103140790 Warsaw PAP in English 1232 GMT 1 Mar 90

[Text] Warsaw, March 1—At 11.00 A.M., Senate Speaker Andrzej Stelmachowski opened the 20th plenary meeting of the Senate presenting the agenda of the three-day debate, which enivsages the examination by the Senate of a set of budgetary questions and a package of economic laws adopted at the last Sejm meeting.

The Senate will also adopt a stand on amendments to the Penal Code, to the Executive Penal Code, to the Law on Associations, to the Law on Higher Schools as well as on the Law on Social Insurance for Private Farmers' and their Families this year.

Senator Elzbieta Simonides took an oath before the start of the debate. She won a mandate in the senate by-elections in the Opole region on February 18.

Senator Cezary Jozefiak started discussion on financial laws, presenting a stand of the Committee for National Economy on the 1990 Budgetary Law.

Liberal Democratic Congress Formed

LD1602225290 Warsaw Television Service in Polish 1615 GMT 16 Feb 90

[Text] A Liberal Democratic Congress has been formed. This party has its origins in the movement of economic societies and liberal circles.

'Youth for Democracy' Movement Established

LD2102113190 Warsaw PAP in English 2230 GMT 20 Feb 90

[Text] Warsaw, Feb. 20—Voicing solidarity with the stand of a group of the Sejm (lower house of Parliament) deputies from the Democratic Party [DP], who are creating a movement called democracy 90, young members of democratic organisations affiliated to the Union of Democratic Youth decided to set up a Youth for Democracy Movement.

The founders of the movement issued a statement in which they expressed a hope that the plenum of the DP CC [Central Committee, to be held on February 28, would free the party's authorities from people linked

with the Communist nomeklatura. They deemed it necessary to renew and rejuvenate the cadras of the party of the Polish Democrats.

Mazowiecki Council Adopts Draft Amendments

LD2102120690 Warsaw PAP in English 2313 GMT 20 Feb 90

[Text] Warsaw, Feb. 20—The Council of Ministers continued its yesterday's meeting this afternoon under the chairmanship of Prime Minister Tadeusz Mazowiecki.

They adopted draft amendments to the Civil Code and the Code of Civil Procedure. New regulations are to cover the whole of economic relations. The draft envisages the lifting of different rules for socialized and private sectors.

All regulations providing for a privileged position for socialized units will be abrogated in civil procedures. The meeting also adopted draft amendments to the law on land management and on the expropriation of real property.

The meeting adopted a draft law on local administration bodies and a draft law on local (?self-government). [Words indistinct] the (?employment) in the state administration offices and stated that the stand adopted on the matter by the Sejm committee of Economic Policy, Budget and finances aimed at freezing employment on the average level of last year would seriously hamper the reforming of the state management system.

The meeting empowered the minister-head of the Council of Ministers Office and the minister of labour and social policy to address the Sejm on this question.

The government adopted a decree lowering legal interest to 18 per cent a month in March (from 60 per cent in January and 40 per cent in February).

Solidarity Commission Debates Privatization

AU2202120290 Warsaw TYGODNIK SOLIDARNOSC in Polish 2 Feb 90 p 4

[Andrzej Zarebski report: "Talks of the KKW (Solidarity National Executive Commission)"]

[Text] The 17 January meeting of the [Solidarity] National Executive Commission [KKW] in Gdansk was over eight hours long and was dominated by a debate on changes in ownership in the national economy. Despite his misgivings about the economic program, Lech Walesa declared his support for the government, at least until the Solidarity congress. "And later, dear government, you can continue on your own," he said, adding that his words were deliberately harsh because times are harsh.

Minister K. Lis began by saying that without the union's support, the government program has no chance. Privatization is not an aim in itself, but is a way of building a market economy. Today there are 7,600 state enterprises, about 15,500 cooperatives, and between 300,000 and 350,000 private firms in Poland. State enterprises supply 80 percent of the national income, and many of them are monopolists.

It is necessary to increase the number of economic units on the market, because privatization is going to involve a simultaneous disintegration of enterprises.

Minister Lis announced the sale of several state enterprises this year, enterprises that are in a good condition and are capable of paying their shareholders high dividends. Five firms have already agreed to go private, and 70 more have already applied for privatization. According to the government concept, the workers of these enterprises will be able to buy between five and 15 percent of the shares in their enterprise for half their face value. The government is rather against the idea of workers holding 100 percent of all shares, for it wants to give every citizen the opportunity to purchase securities on the market. Shares are to be disposable from the very beginning. Banks will deal with shares until stock exchanges are established.

In the process of privatization, a major role will be played by foreign capital.

Minister Lis concluded that in the government's opinion, changes in ownership should be subject to parliamentary supervision, in connection with which the government has drafted bills to set up the following new bodies: A Council for the National Wealth (with 9 members recommended by the premier and approved by the Sejm), and an Agency for Reprivatization, whose task will be to prepare a schedule of activity. The third bill, to set up a Securities Commission, is still being worked on.

Walesa spoke once again, saying that what he has heard has merely strengthened him in his criticism. This is a program of idealists—socialists who have begun to experiment with privatization, he said. The idea of small businesses has been completely glossed over, and nothing is being said about the need to set up new banks. And yet, Walesa continued, Poland's chance lies mainly in the development of small-scale production. After a short break, Minister Lis replied to questions from KKW members and from numerous economic advisers from various Solidarity chapters present in the hall. The atmosphere of this part of the meeting was cooler than expected, especially after what Walesa had said. There was no aggression. No one contested the logic of the government concept; instead, questions were asked about the time and extent of the foreseen privatization and the degree of danger it poses.

K. Lis said that basically a consensus has been reached on all the changes in ownership planned over the next two years. There will be differences of opinion later, and these will concern the extent of the privatization.

The government has not reached any decisions yet about the problem of former owners. The possibility for state enterprises to purchase shares in privatized firms is not foreseen. However, institutions like the Social Insurance Fund should have this possibility.

The greatest danger to the process of changing ownership is society's attitude, including the attitude of the work forces. One notices that old tendencies to make wage demands are turning into tendencies to acquire assets.

The quantity of shares held by work forces must be restricted. The phenomenon of combining capital with labor is making it difficult to restructure an enterprise and is dangerous for the employee who, if his own firm goes bankrupt, would lose not just his employment, but also the savings that he invested in the form of shares. As far as employee share participation schemes are concerned, the extent of these is very restricted everywhere. These schemes might be a good solution, but only in enterprises that have already been privatized.

The second major subject was the sociopolitical situation. The government came under intense criticism.

Most participants were convinced about the need for more militant trade union activity. "We appreciate the government's difficulties, but we cannot remain passive," said B. Borusewicz. W. Frasyniuk agreed with him: "Society has the impression that the government is applying strong-arm tactics only vis-a-vis the work forces." Referring to the strikes in the coal mines, A. Pietrzyk criticized Minister Syryjczyk for the ill-advised managerial appointments in the mines, adding that the striking miners do not think much of Solidarity.

The limits of Solidarity-government cooperation were discussed. A certain distance from the government must be kept so that the union is capable of providing early warnings. The government's failures cannot be a catastrophe for Solidarity, which is currently a stabilizing force in Poland. "Therefore it is essential to hold intensive talks with the government every now and then," said L. Kaczynski.

The next topic was the changes in the composition of the KKW and its Presidium as a result of the elections in the various Solidarity chapters. The KKW thanked the outgoing activists, especially Zbigniew Bujak, for their work for the union. Apart from Bujak, the following had tendered their resignations from the KKW: Aleksander Przygodzinski (Czestochowa), Antoni Stawikowski (Torun), Andrzej Piesiak (Jelenia Gora), Stanislaw Michalowski (PIla), and Jerzy Stepien (the Swiety Krzyz chapter).

Next, there was a vote on the new KKW members. The following were accepted unanimously: Kazimierz Maciejewski (Czestochowa), Stanislaw Oskierko (Pila), Waldemar Bartosz (Kielce), Michal Boni (Mazowsze), Ryszard Musielak (Torun), Tadeusz Lewandowski (Jelenia Gora), and Jerzy Tokarczyk (Plock). The Presidium was expanded—Edward Radziewicz (Western Pomerania) and Michal Boni were elected as new members of it.

Two candidatures caused a controversy, that of Andrzej Slowik (Lodz) and Eugeniusz Matyjas (Leszno). Slowik had been nominated by Walesa. "Half of our activity conforms to the statute, and the other half is dictated by the necessities of life," said Walesa, opting for the union's unity. W. Frasyniuk opposed this candidature more strongly than the others. He was generally against the idea of new members being elected to the Presidium before the Congress. Those who have led Solidarity over the past 7 years should stay in it and account for their activity before the congress delegates. In a vote, the KKW accepted Slowik as its member, but he was not elected to the Presidium (only Walesa voted in favor of his Presidium membership).

The case of E. Matyjas from Leszno was different. Having been elected chairman of the Leszno chapter in the last election, he was rejected this time because at the onset of martial law he had signed a declaration that he would obey the law that was then in force. His membership in the Working Team also interfered with his election.

The date and place of the congress were discussed. Two locations were considered: The Olivia Hall in Gdansk, where the first Solidarity congress was held, and the "Wybrzeze" sports hall, also in Gdansk. Five hundred Solidarity delegates and a similar number of guests are expected to attend. The KKW decided that it would bear the costs. The regional chapters will probably not be burdened with expenses. In a vote, most KKW members preferred that the second Solidarity congress take place at the "Wybrzeze" sports hall in Gdansk from 17 to 20 April 1990. J. Merkel, member of the KKW Presidium and chairman of the congress organizing committee, decided that this committee should hold its inaugural meeting in Gdansk on 25 January, and suggested that each chapter send one representative to this meeting.

Finally, the KKW decided to increase statutory benefits because of the increase in average earnings in the economy, and approved a form to be used for 1989 financial reports from the Solidarity chapters.

Minister Czyrek on Political Developments

AU0103163990 Warsaw KONFRONTACJE in Polish 25 Feb-24 Mar 90 pp 10, 11

[Interview with State Minister Jozef Czyrek by Robert Olesinski in Warsaw on 23 January]

[Excerpts] [Olesinski] When a note appeared in the press saying that President Jaruzelski had appointed you state minister responsible for foreign policy, many social circles asked: What? The president is forming some sort of supergovernment? Who, they asked, is really running Poland's foreign policy? Is it Premier Mazowiecki and the foreign minister in his government, or is it President Wojciech Jaruzelski and State Minister Czyrek?

[Czyrek] Following the appointment of the president, some Polish newspapers began speculating about the relationship between the president and premier and, more broadly, between the president and the government. This speculation partly reflected a kind of "wishful thinking" by some journalists, but was also the result of the fact that the office of president is a novelty in Polish life.

As far as the relationship between the president and the government, or between the presidential apparatus and the government apparatus is concerned, there are no secrets in this sphere. Neither are there any disputes or conflicts concerning the distribution of tasks, which, however, does not mean that there are no differences of opinion.

This is a natural, even a desirable, phenomenon, for such differences also appear inside a single organism like the government.

In any case, the hitherto practical functioning of the present political set up, which is only a few months old, is the most important criterion in assessing its harmony or lack of it. I can firmly say that there are no conflicts in the section occupied by me.

The Constitution lays down the president's powers concerning foreign policy. For example, article 32 says: "The president of the Polish Republic is the supreme representative of the Polish state in domestic and foreign matters." Other presidential prerogatives in this sphere are contained in articles 32f and 32g, which say that the president appoints and recalls representatives of the Polish Republic in other countries, ratifies international treaties, and so on. Presidents in most countries have powers like these, and sometimes even broader ones.

Now for a few words about my role. Every president has some kind of team of advisers who offer him advice on various topics or perform set tasks on the president's behalf. In Poland, these people are called state ministers, which does not mean that they are equivalent to government ministers. According to the Constitution, a state minister can only perform tasks for the president which the president has personally asked him to perform, so a state minister has no constitutional power to act according to his own convictions. This is what sets state ministers apart from government ministers, for government ministers have their own status and their own scope of responsibility.

In my case, what is important is that the foreign minister is responsible for implementing Polish foreign policy. As long as the state minister does not question this responsibility and the foreign minister does not question the president's constitutional prerogatives concerning international topics, there is no basis for any conflict situation. And that is the way it has been in Poland so far. [passage omitted]

[Olesinski] Not so long ago, the Polish raison d'etat was pursued in accordance with the Brezhnev doctrine. Today the situation in Europe is much different from what it was a few months ago. We are faced with the prospect of German unification, the countries of the so-called Eastern Bloc are undergoing political emancipation, and there are trends toward decentralization in the USSR. Protecting our raison d'etat seems to be getting more complicated.

[Czyrek] The Brezhnev doctrine did not determine the whole of the Polish raison d'etat, though of course we did have to respect it. This doctrine emerged not under Brezhnev but much earlier, when Europe was divided up. Under Brezhnev, it merely received verbal acknowledgment. With the consent of the four powers, Poland found itself within the Soviet sphere of influence, with all its consequences. The consequences were varied. There were positive ones—safe borders, peace, and so on—but also negative ones—a restriction of external and internal sovereignty.

Poland was the only Warsaw Pact country that tried to preserve as much independence as possible during this era.

In 1981, Poland was surrounded by armies that were ready and willing to enter the country. Throughout 1981, we were the object of political blackmail and a tool of confrontation between two world powers.

The raison d'etat of any state or people is implemented in a specific historical and international context, and we have to take that into consideration. In the situation in which we found ourselves then, we did everything we could to protect our national interests. As soon as the Brezhnev doctrine began to perish, we were the first to draw the right conclusions, and we were the first to embark upon the path of thorough democratic changes on our own initiative.

Our country's peaceful and gradual transfer to a system of parliamentary democracy, begun one year ago, has created real possibilities for expanding our cooperation with every major political force in the world, including in the west. No one is using the Polish Republic as a tool any more, and our changes have inspired other countries in East Europe, while, at the same time, creating new possibilities for participating in building a common European home or a confederation of countries, as Mitterrand suggests. Nevertheless, one must be able to state precisely what our raison d'etat depends on under these new European conditions, and that is the key task of our state authorities, government, and diplomatic service. [passage omitted]

[Olesinski] We are talking a few days before the start of the 11th congress of the Polish United Workers Party. Will you join the party that emerges from this congress?

[Czyrek] My intensive party activity is over, but I am not severing my ties with the socialist system of values. On the other hand, I do not know what the new party or parties will be like. For the time being, I will involve myself in state work.

Commentary Views Constitutional Amendments

AU2102181690 Warsaw TYGODNIK SOLIDARNOSC in Polish 9 Feb 90 p 9

[Marta Miklaszewska commentary: "Whatever Happened to the PPR?"]

[Text] The Polish People's Republic [PPR] came to an end on the last day of 1989. This time the news did not come from a popular actress speaking to us on television, but from an official piece of legislation published on 31 December 1989 in the Official Gazette, Item 444, and was signed by Wojciech Jaruzelski.

The man in the street will only be aware that as a republic, Poland has dropped the adjective "People's" and its national symbol, the white eagle, has gained a crown. The changes, however, have deeper implications and it is worthwhile describing these changes in some detail.

The Constitution of the Polish Republic has lost its ideological preamble. Over the years, political malcontents of differing political tendencies have railed against the historical and ideological fabrications contained in the preamble. One has to impartially admit, however, that the wording of the preamble did contain at least two uncompromisingly truthful statements. First, that only "the historical victory of the Soviet Union (...) facilitated the acquisition of power" in 1944 by the Polish National Liberation Committee (read: the Communists). Second, that the new order in Poland was strictly molded on "the historical experience of the victorious socialist construction in the USSR."

Thanks to these words, it accurately and correctly described the origin and the essence of the PPR. The amending legislation, dated 29 December 1989, has only one short sentence referring to the preamble: The preamble is hereby repealed. Nonetheless, it is simply impossible to delete 45 years of a country's history with a statute. The experiences of this period cannot be separated from our present reality with the stroke of a pen.

The people behind the present legislation intended the new definition and the new sovereignty of the Polish Republic to be such a watershed. The old Article 1 of the Constitution stated: "The Polish People's Republic is a socialist state. In the Polish People's Republic power is vested in the working people of the cities and villages...." Now the present wording states: "The Polish Republic is a democratic state and subject to the rule of law. In the Polish Republic the supreme authority is vested in the Nation."

Nonetheless, it is far easier to reinstate forgotten words than to change firmly established institutions. Institutionally, the "Nation" now, just as "the working people of cities and villages" then, exercises its "authority through its elected representatives to the Sejm, Senate, and the People's Councils." The key body out of these three representative organs, the Sejm, "as the supreme exponent of the will of the Nation, realizes its sovereign rights" (Article 20, Section 2, of the Constitution). One has to admit that hitherto it is only realizing the will of about one third of the population, because in accordance with the "roundtable" agreement, only 35 percent of the Sejm's composition reflects the will of the overwhelming majority of the electorate.

However, the words "working people of the cities and villages" have not totally disappeared from the Constitution of the Polish Republic. This concept has been politically downgraded to the level of the rural district, city, and voivodship, where "People's Councils give expression to the will of the working people of the cities and villages and develop the people's creative initiatives and activity" (Article 44), and "strengthen the ties between the state authority and the working people of the cities and villages by attracting ever wider groups of working people to participate in the government of the state" (Article 45).

One cannot help but observe that, apart from the "Nation" and "the working people of the cities and villages, "there appears to be a further, a third category of citizens in the Polish Republic, who are called "the population." This group also attracts the incessant care and worry of the authorities, especially the regional authorities, for example, "the People's Councils continuously care for the everyday needs and interests of the population".

The ordinary man in the street may feel somewhat surprised if, for example, he wishes to familiarize himself with the list of his "basic rights and obligations" that the legislation on the Constitution sets out. He will find there that as a "citizen of the Polish Republic he is bound to observe the provisions of the Constitution and its laws, and the socialist work discipline" (Article 90), and additionally, he is bound to protect socialist property and strengthen it as the unshakeable foundation for the development of the state and the source of wealth and strength of the Fatherland" (Article 91). If by chance he is a member of "Solidarity," he will doubtless be very interested to read that in the Polish Republic, trade unions play a very significant role and "are the training ground for socialist activity and commitment to the construction of a socialist society" (Article 85). He will above all become aware that "alertness to the enemies of the nation and the strict preservation of state secrets is the duty of every citizen of the Polish Republic" (article 93).

The answer to the question which appears in the title should be quite obvious by now. The PPR did not vanish from our lives at the turn of 1989. It is still alive and kicking. Not just because of the fact that all official forms and rubber stamps with the old state emblem will continue to be used till 31 December 1995. All indications show that should we want to get rid of the legacy of the PPR earlier, it will cost us a good deal of effort.

Publishers Plan To Close More Journals

LD2802132190 Warsaw PAP in English 1110 GMT 28 Feb 90

[Text] Warsaw, Feb. 28—Chairman of the RSW Prasa Ksiazka Ruch workers' publishing cooperative, Slawomir Tabkowsi, said about shutting down the next ten journals at press conference Tuesday. The journals include weeklies "KULTURA" (CULTURE), "SPRAWY I LUDZIE" (ISSUES AND PEOPLE). The next six journals, including "GAZETA MLDOYCH" (NEWSPAPER OF THE YOUNG] and "WALKA MLODYCH" (STRUGGLE OF THE YOUNG), will be suspended.

Since November 1989, the RSW has shut down 51 journals it published, has suspended the publication of 27 and turned over 17 journals to other publishers. 148 press titles remained, out of which 87 brought profit.

Tabkowski said also about the concept to make the RSW a publisher of the press and publications of the broadly conceived left.

Osiatynski, Maslyukov Discuss Cooperation

LD2802223790 Warsaw PAP in English 1720 GMT 28 Feb 90

[Text] Moscow, Feb. 28—Minister-head of the Central Planning Office of the Republic of Poland Jerzy Osiatynski held talks with his Soviet counterpart Yuriy Maslyukov here on economic cooperation between the two states in the years 1991-1995.

Other talks with Soviet state officials concerned the restructuring of the Council for Mutual Economic Assistance (CMEA).

Jelenia Gora Governor Resignation Accepted

LD2803231590 Warsaw PAP in English 1850 GMT 28 Feb 90

[Text] Warsaw, Feb 28—Poland's prime minister has accepted the resignation of Sylwester Samol from the post of voivode [governor] of Jelenia Gora (south-west Poland).

The prime minister recalled the voivode from his post on the basis of a resolution passed by the voivodship people's council in Jelenia Gora.

Belorussian, Lithuanian Broadcasts Increase

LD0103230190 Warsaw Domestic Service in Polish 1500 GMT 1 Mar 90

[Summary] The local radio station in Bialystok began today carrying a daily 15-minute program in Belorussian, from 1305 to 1320 [1205-1220 GMT], for Belorussians living in northwest Poland. Previously, Radio Bialystok carried a Belorussian slot once a week.

Beginning next Sunday Lithuanians residents in the northwest of the Suwalki Region are also going to have their own half-hour program.

Social Democratic Union Issues Own Newspaper

LD2802130990 Warsaw Domestic Service in Polish 0200 GMT 28 Feb 90

[Text] The first issue of the Social Democratic Union's GAZETA WSPOLNA has just been published. Its print run is 2,000 copies. Because of limited financial, as well as organizational and technical capabilities, it is a modest paper, whose profile is rather that of a bulletin, said Zdzislaw (Pilecki), who leads the information team of the establishing group. For the time being the paper will be published every two weeks.

Economic Party Established in Poznan

LD1002092590 Warsaw PAP in English 1909 GMT 9 Feb 90

[Text] Poznan, Feb. 9—A Polish Economic Party (PPE) was founded here today at a meeting of initiators representing managers from all-over Poland. The participants in the founding meeting stressed that their decision on setting up the party was also prompted by early elections to the self-government bodies.

The discussion outlined directions of activity of the new party and its goals were defined in the statute adopted during the meeting. The statute reads in part that the PPE, in its activity, is guided by the principle of economic freedom with respect for the basic principle of manager's ethics.

The new party is to operate all over Poland and its activity is to be financed with means gained from economic initiatives. With this view, a stock company will be set up which will issue a paper called "economic freedom".

The meeting elected the party's supreme board and president. The presidential post went to Wojciech Kornowski from Poznan who is also president of the All-Poland Association of Managers and president of the "Miriada" production cooperative.

The new party's seat is Poznan.

Council of Ministers Adopts Draft Border Law

AU0103155290 Warsaw ZYCIE WARSZAWY in Polish 27 Feb 90 pp 1, 2

[Excerpts] PAP—The Council of Ministers held a meeting on 26 February. [passage omitted]

The Council adopted a draft law on protecting the state border. This is a major component in the process of tidying up the legal system and adapting it to the process of making the country democratic and creating guarantees for the rule of law. The draft lays down the rights and duties of the Border Service [Sluzba Graniczna].

which takes the place of the Border Defense Forces [Wojska Ochrony Pogranicza, WOP], its organization, the duties of its officers, and the resources to be used in performing its tasks. The draft law abolishes many of the restrictions laid down by the rules that have been in force, and is decidedly less repressive. For example, it limits the use of firearms when protecting the state border. The 30-km border zone, which ran through the 22 border voivodships, will be abolished and replaced by a road running along the border itself, plus a border strip 2 km wide, or 6 km wide if geographical features necessitate this. As a result, the new Border Service will have far fewer tasks than the WOP had. The draft law also calls for the abolition of the troublesome need for citizens to obtain permission to stay in the border zone temporarily or permanently. [passage omitted]

Ceausescu Judge Reportedly Kills Himself

AU0203122090 Paris AFP in English
1204 GMT 2 Mar 90

[Text] Bucharest, March 2 (AFP)—A judge at the trial of Romania's executed presidential couple Nicolae and Elena Ceausescu committed suicide on Thursday [1 March], reliable sources said here on Friday.

Colonel Georgica Popa was said to have killed himself in the military headquarters on the second floor of the central court building in Bucharest.

His death had not been officially confirmed by midday.

No word on how he died was available from the hospital where he was taken.

The Ceausescus were found guilty of genocide at a secret trial on December 25 and executed by firing squad.

Defense Ministry Disavows 'Repressive' Actions

AU2802163190 Bucharest ROMPRES in English
1521 GMT 28 Feb 90

["On the Former Securitate of Romania"—ROMPRES headline]

[Text] Bucharest, ROMPRES, 28/2/1990—In a communique sent to the ROMPRES News Agency for release Victor Stanculescu, national defense minister, makes reference to the effectives and structure of the former Securitate of Romania (State Security Department) and to the measures taken so that in the future the newly-created bodies should exclusively defend the country's vital interests and no longer pursue repressive actions or serve the interests of political parties or groupings.

The communique shows inter alia in connection with the structure of the former department that it was made up of units and formations of which a first category was meant for repressive actions of stiffling any forms of democracy, citizens' basic liberties, totally serving the interests of ceausescu's regime, such as the fifth direction guard and order and the counterintelligence direction. The latter controlled all socioeconomic domains of the state, including the apparatus of the Ministry of National Defense and the Ministry of the Interior. Likewise the former Sixth Direction—criminal research was overzealous at the service of the dictatorship and sometimes resorted to abusive research methods breaking legal provisions. These units comprised about 1,600 officers and NCOS, of which 1,000 were removed from the active staff; the remainder are young staff recently hired by the mentioned directions and who were assigned to Army instruction units in minor functions where they cannot make any decisions.

Another category were the structures (former first, second, third directions and other auxiliary formations) which pursued the protection of the Romanian state against external or internal dangers such as: actions of foreign intelligence agencies, nationalist provocations, actions of diversionist groups from abroad to upset public order and quiet and activities of gathering information from the economic and technico-scientific domains. These units numbered about 1,400 officers and NCOS. Although most of the staff in these directions worked in accordance with the attributions they had at times, given the abusive practices of the leaders of the former state security department, certain cadres were ordered to execute repressive missions. As such, until now, 210 cadres were removed and are investigated by the military procurator's office.

The former County Inspectorates of the Ministry of the Interior had compartments with attributions similar to some of the former directions of the State Security Department, staffed with 5,400, of whom about 2,000 were removed. The remaining staff is at the disposition of the National Defense Ministry to be checked and after verifications decisions will be made concerning them.

Another category of the units of the former State Security Department were for technico-material service and telecommunications, counting 1,700 staff, which were dismantled, reorganized and put under the command of the transmission troops of the National Defense Ministry. 215 cadres of these units were removed.

The Securitate troops of the former department, made up of young people who served their terms with the Army in these units, were guarding important objectives throughout the country. Currently they are reorganized and put under the control of the National Defense Ministry, to fulfil defense missions as provided by the law.

Currently, the National Defense Ministry elaborates the new structures of the intelligence bodies which should strictly meet defense needs of Romania's democratic system: inform the state organs about the negative phenomena which affect the lawful order and the country's socio-economic development, protect the national interests against the actions of foreign agencies of economic, technico-scientific espionage. The new intelligence bodies will be used only for the above-mentioned purposes.

Referring to the pays of the staff taken over from the previous structures, the communique shows that those who staffed or will staff the new structures will get smaller pays in keeping with norms, ranks and functions in the Army units.

Those who were or will be removed and have not to retire and are not found guilty under the criminal code or will not be investigated will be given 50 per cent of the average pay of the respective ranks in the Army, until they find a job, but for a period no longer than three months from the cessation of their activity.

After investigations, the staff who are found not to have been involved in repressions and who are not guilty under the criminal code and comply with legal terms for

retirement will receive a smaller pension calculated at the level of pensions in the Army.

The Ministry of National Defense, the communique shows, declares that now and in future the newly-created bodies will no longer pursue repressive actions, surveillance and bugging so as to intimidate people or meet the interests of political parties or groupings but will exclusively defend the country's vital interests.

Navy Officers Send Telegram of Allegiance

AU2802104790 Bucharest ROMANIA LIBERA in Romanian 14 Feb 90 p 1

[Unattributed article: "The Blaming of Officers Has Failed"]

[Text] We have received the following information from Constanta: On Tuesday, 13 February, the commander of the Navy gave orders for the organization of protests against Air Force officers who appeared on the Romanian Free Television Monday evening; the goal of the protests was to express loyalty to the minister and condemn the officers who asked for his removal. On the same day, several cadres of the Navy gathered at the Navy Command Club. Fifteen officers voted in favor of the blaming and loyalty action, five voted against it, and 56 abstained from voting. Although the vote failed as a pacifying action, a telegram of allegiance and fidelity was nevertheless sent to the national defense minister.

On the same day, the commander of the Constanta Marine Institute received orders to gather the professor-officers, who were to give their votes about loyalty to the minister of national defense and condemnation of the air force officers who had appeared on television on Monday evening. Out of 70 professor-officers, only 4 voted for, and all the rest voted against it.

Police Report Given on 18 Feb Incidents

AU2202214590 Bucharest Domestic Service in Romanian 1800 GMT 22 Feb 90

[Statement issued by the Bucharest Municipal Prosecutor's Office and Police Inspectorate; place and date not given]

[Text] Following investigations to date, 50 persons have been arrested for assault, public disturbance, and damage to public property, in fractions committed on 18 February 1990 at the government headquarters in Victory Square. Another 37 persons are in custody for violations committed on the same day, at the same place.

Among the arrested individuals is a certain Octavian Farcasanu, who, joining the anarchistic groups, illegally broke into the Government building. The aforementioned individual admitted to his deeds, and said that he had not been subjected to violence or threats during the investigation. Another 10 persons were fined and 15 individuals received warnings.

The organs of the Prosecutor's Office and the police were informed by working collectives or individual citizens about the participation of other persons in the respective incidents; some of these persons are still being investigated. In order to fully clarify the situation, further enquiries are necessary to identify other offenders or witnesses. The investigation proceeds in strict accordance with legal dispositions.

This statement is signed by Bucharest Chief Prosecutor Ioan Haineala and Bucharest Police Chief Major General Dumitru Birlac.

18 Feb Events Ascribed to Terror of Securitate

AU2802204490 Bucharest ROMANIA LIBERA in Romanian 20 Feb 90 p 1

[Mirela Roznoveanu article: "The Malady of Terror"]

[Text] One of the reasons why, on 18 February, numerous Bucharest residents were in Victory Square to demonstrate, is the profound terror people still feel toward the Securitate [Ceausescu's Intelligence Service]. After the revolution, the Securitate was dismantled as an institution. Despite this, people ask themselves: What happened to it? We know that very many of those who oppressed others have been kept in certain positions. In the history of our state and law there is no precedent in which a regime that had been overthrown by a revolution kept and protected the former repressive apparatus! We are unique in this respect. We know that the terrorists who fired at the people during the revolution, in very many localities and points of strategic importance, have disappeared as if the earth had swallowed them. Why have they not been brought to trial? We also know that the communist dictatorship would not have survived for such a long time, almost 50 years, without the most ferocious and diabolical repressive apparatus—the Securitate. The state of instability in our country can be blamed on the fear of this repressive force. We are extensively affected by this malady of terror, this malady of Securitate, which has been noted by psychiatrists and which is induced by insecurity and the repressive effect of the Securitate. This malady is characterized by anxiety, mistrust, suspicion, and fits of panic, and is caused by mental terror over a long period of time. In other words, today's consequences are the results of yesterday's sick dictatorship.

This collective mental reaction to terror which belongs to the category of mental disorder is nothing new. It was also noted during the French revolution and the Bolshevik revolution in Russia. Its social implications, however, are considerable. The reaction of the collective subconscious to terror appears as a consequence impossible to avoid; it can be avoided only through the elimination of the cause of the terror. Numerous citizens think it intolerable that the tyrant's hangmen of yesterday should occupy an honorable place at the table of today's victors of the revolution. People want them to work in plants, factories, and agriculture and not to lead

or continue to be active in the Army. We are naturally talking about compromised people.

I think that only the truth requested by the people will dispel uncertainty and terror.

Sentences Passed on 18 Feb Demonstrators

AU2402165890 Bucharest Domestic Service in Romanian 1600 GMT 24 Feb 90

[Text] The trial of 38 people, including 9 minors—all of whom were involved in the incidents that took place in the government headquarters on Victory Square on 18 February 1990—ended in Bucharest. Of the defendants, 11 were given three-to six-month jail terms, 12 were sentenced to jail terms that will be served at their places of work, and six were given fines of 1,250- 3,250 lei.

Fifty persons accused of assault, public disturbance, and damage to public assets are in custody for further investigations.

Further on Sentences

AU2402194090 Bucharest ROMPRES in English 1804 GMT 24 Feb 90

["Trial of Defendants Involved in 18 February Events Ends"—ROMPRES headline]

[Text] Bucharest ROMPRES, 24/2/1990—The trial has ended in Bucharest of 38 defendants, of which nine under-age, who were involved in the 18 February 1990 events at the government headquarters in Victory Square. The legal proceedings instituted against them and the trial were based on Article 2, Paragraphs A and B, and Article 3, Paragraph J of Decree 153/1970 on proving and punishing violations of the rules of social conducts, public order and quiet.

The court—the court of law of the Romanian capital's No. 3 District—ruled the following: prison terms between three and six months for eleven of the defendants; imprisonment with punishment being carried out at the job and the possibility to be set free after two thirds of the term expires, for a number of 12; fines ranging from 1,250 to 3,250 lei for six of them. The 39th defendant will be tried along with a group of persons charged with offences by the prosecution.

As far as the underage defendants are concerned, their case is to be handled by a judgment commission of the school or the enterprise they learn or work at which is expected to rule a re-educative measure; for those offenders who are neither students nor workers, the measure is to notify the prosecuting body in order to be integrated into a collectivity.

The court ruled the immediate release of all the offenders who were fined or given prison terms at the job.

An appeal for re-consideration of the sentence can be lodged within 24 hours from its announcement, and the appeal shall be judged within three days by two judges from the same court after which it becomes final.

As we have previously announced, in connection with the said events, another 50 persons are under arrest and investigated for criminal offences at the Bucharest Prosecuting Office on charges of outrages upon morals and breach of public order (Article 321 of the Criminal Code) and public property damage (Article 231 of the Criminal Code)

Furthermore, investigations are under way, in strict compliance with the provisions of the law, for the identification of other persons as well—either against whom charges are brought or witnesses.

Convicted Ceausescu Aides To Appeal Sentence

AU0103163090 Bucharest Domestic Service in Romanian 1600 GMT 1 Mar 90

[Text] According to an exclusive news item obtained by the radio editorial board from the military section of the Supreme Justice Court, the appeal of the accused Tudor Postelnicu, Emil Bobu, and Manea Manescu will be heard in court on 19 March 1990.

Figures on Sibiu Victims Published

AU0103095290 Bucharest ROMPRES in English 0921 GMT 1 Mar 90

["History of the Revolution—Sibiu Victims"—ROMPRES eadline]

[Text] Bucharest, ROMPRES, 1/3/1990—As many as 300 persons were wounded by firearms during the revolution in Sibiu, 230 of them needing hospital treatment. 57 patients were taken to the surgery dept of the Sibiu county hospital all of them needing more or less difficult operations. Eight passed away and five were set for treatment to Austria and Italy. Four of the patients were contrarevolutionaries, of whom three were staff members of the former County Inspectorate of the Ministry of the Interior and one was a collaborationist woman. One of the patients sent abroad for treatment is a former militiaman.

Genocide Trail in Timisoara Begins 2 Mar

AU0103195190 Bucharest ROMPRES in English 1824 GMT 1 Mar 90

[Text] Bucharest ROMPRES, 1/3/1990—The trial of the 21 persons charged with involvement in genocide or abetting of genocide over December 16-25, 1989 will open in the martyr-town of Timisoara on March 2.

A press conference was held at the local Youth House of Culture on Thursday when the presiding judge of the Supreme Justice Court—the Military Section of Bucharest, informed the Romanian and foreign journalists present of the way in which the trial is to proceed. He said the first session would be held on Friday, at 10:00

hours, local time. Given the complexity of the case, the responsibility of each of the defendants and the need to rigorously establish the seriousness of the charges against each of them the trial might last up to two months. The building in which the trial will be held is heavily guarded by policemen and soldiers. The access of the public and of journalists will be possible only on the basis of special name-bearing cards.

Commentary Released on Romanian-U.S. Relations

AU0103204090 Bucharest ROMPRES in English 1941 GMT 1 Mar 90

["Are the Americans Coming? —by Ioan Rosca"—ROMPRES headline]

[Text] Bucharest ROMPRES, 1/3/1990—"The Americans are coming." Millions of Romanians whispered with undisimulated fear and hope right after the war when the communist hydra had turned all menacing. But they did not come and millions of Romanians lost their hope attracted as they were under the halo of a collective hypnosis which anesthetized an entire nation for almost half a decade.

Today the Romanians no longer wait for anyone to free them. They only wonder what happens to the American people. A people whom, they identified—and still do—with democracy and freedom, with abundance and generosity. The first people of the world to have engaged in the battle for democracy all over the world through their very constitution is highly fascinating to the Romanians whose country now sees the buds of democracy. The Americans were there on the key days of the revolution giving Moscow a free hand to intervene "if necessary." Fortunately, we did not need that "green light," which could have been the revenge of the fate for the satellite role we had to play in the wake of decisions made in such sunny cities as Yalta or Tehran. The U.S.A. granted emergency humanitarian aid worth 80 million dollars, adding to which was other assistance too, for which the Romanian people are infinitely grateful. The congressmen, administration officials and businessmen who came to Romania after the revolution had only words of appreciation—it could not have been otherwise, could it?—showing the U.S.A. to be ready to support the triumph of democracy in this country, to develop bilateral relations, to grant the most- favoured-nation clause... We live a historic moment when Bucharest reviews and reassesses its position in the world, trying to reconstruct blocked or broken bridges and to build a new-type, democratic, essentially European democracy. Although they are thousands of kilometres away from the country across the ocean, the Romanians believe that the things that get them close to America are more numerous than the ones straying them away from it. Which must be so, although Mr James Baker left all problems pending at the end of his brief, non-committing four-hour visit to Bucharest. For the time being, American enthusiasm for east-European democracies focuses on Hungary in particular and Poland. Everyone expects an American-style demonstration on the part of decision-makers in the most democratic, freest, richest and most generous country on the earth.

No one should ever forget that Romania is a country where dignity is still alive despite the most cruel tyranny postwar European history has known. This time, the Romanians, who learn the lessons of history well, did not expect anyone to help them. They built their irreversible democracy by themselves. And yet, who dislikes Romanian democracy?

Significance of Elections for Economy Viewed

AU2602154490 Bucharest ROMPRES in English 1000 GMT 26 Feb 90

["Agora—The General Elections and the Economy"—ROMPRES headline]

[Text] Bucharest, ROMPRES 26/2/1990—The date of the free elections, set on May 20, still questioned by some political parties and newspapers, must be approached not only from an economic angle but also from an economic one, says Dr. Ovidiu Nicolescu in daily ADEVARUL.

Economic arguments must be at least as much considered as the political ones, if not even more, on setting the date for elections. Romania's special situation calls for the urgent settlement of its major issues, especially economic, first of all through most urgent political decisions. Romania's situation is quite the opposite of that of Italy or Greece, for instance, where parliamentary elections can be longer delayed since the economy follows its natural course. The crisis of the Romanian economy and the fact that the performance of the economic units is by far poorer than before and numerous responsible factors, at all levels, still do not have the required legitimacy and motivation to exercise the prerogatives related to the current and long-term economic activity, require urgent elections. Besides, one should prevent, the author maintains, the dissemination of the emerging syndrome of "waiting and resisting until the elections" which shows especially in ministries and central industrial departments. To wait, he says, means also to tolerate negative situations that will "take terrible revenge" not only economically but politically and socially as well.

The author of the article assesses that at least four elements advocate the elections to be held on May 20: the election of the president, of the parliament and the making up of the government will secure the legitimacy of the state leadership, a necessary requisite for the stabilization of the economy, the beginning the soonest of the process of economic reconstruction and the passage to a market economy, since the situation of the Romanian economy now is like that of a severely ill man that must be operated on and the sooner the better at that (the need to remove the syncopes in the import and export flows, that have most unfavourable effects on the

economy and the population's supply) the urgent attraction of foreign capital to the Romanian economy, so as to start the soonest the assimilation of peak technologies and know-how in Romania and the penetration of Romanian products and services in the international market.

So, for the population and the country's economic situation, the author maintains, it is fit that the elections be no longer delayed. The few percentages some parties would win or lose through the postponement of the elections are less important, while the economic and social cost would be very high. Therefore, he concludes, the political, legislative, administrative and economic requisites must be provided the soonest so as to avert a sharpening of the economic crisis and secure a civilized standard of living for every citizen.

Roman on Danger of Inflation

AU0103213990 Bucharest ROMPRES in English 1816 GMT 1 Mar 90

["Petre Roman: Dangerous Inflation Pressure"—ROMPRES headline]

[Text] Bucharest ROMPRES, 1/3/1990—Understanding the difficult conditions inherited from the dictatorship the option of the provisional government was not to negotiate the reorganization of the pay system as a whole in the Romanian economy given the imminent danger of its destabilization, the daily "DIMINEATA" writes, quoting from the address of Prime Minister Petre Roman at the latest PNUC [Provisional National Unity Council] meeting.

After the revolution, the provisional government only took measures to meet fast the population's basic needs: heat, electric energy, food. Food was imported, the power and gas consumption of the population grew. The rights of workers who work in hard and very hard conditions were reestablished, social measures were taken for the whole population, the peasants included, which requested an additional budgetary effort of 93 billion lei in 1990 pushing the inflationist pressure to a dangerous point, the prime minister pointed out. Estimates for the first quarter of the year show that the population already avails now of extra 23 billion lei of which 14 billion lei are not covered in commodities.

Roman on 'Lack of Resources' for Economy

AU0103214890 Bucharest ROMPRES in English 1820 GMT 1 Mar 90

["Petre Roman: The Operation of the Production Apparatus"—ROMPRES headline]

[Text] Bucharest ROMPRES, 1/3/1990—The foremost task of the Provisional Government is to maintain the production apparatus in operation, which does not mean that the absurd structures in the economy will be maintained, said Prime Minister Petre Roman at the latest session of the Provisional National Unity Council.

In consideration of its fundamental option, which is the liberalization of the economy, of the palpable realities in the economy and of the serious disbalance in material and technical supply, writes the newspaper "DIMINEATA," which carries the prime minister's address, the government set forth ideas which are instrumental for decentralization, the deconcentration of industrial and farm production, and the autonomism of enterprises, even in conditions in which resources are scarce.

So, for instance, machine building, the most important branch of the economy, which is staffed with more than 830 thousand, was supplied only 60 per cent of the resources it needed in January and the situation continued throughout February, too. This branch achieved much more, however, as existing stocks of marketable products were employed. To make up for the lack of resources, the prime minister said, attempts were made to identity economies which are complementary with Romania's and which are equally interested in cooperation with the Romanian side—the USSR, Czechoslovakia, the GDR, to which Western countries will add soon.

Roman on 'Serious Imbalance' in Economy

AU0103202290 Bucharest ROMPRES in English 1834 GMT 1 Mar 90

["Petre Roman: A Description of the Romanian Economy"—ROMPRES headline]

[Text] Bucharest ROMPRES, 1/3/1990—The dictatorship left a disastrous economic legacy, the daily "DIMINEATA" writes, carrying the address of Prime Minister Petre Roman at the latest PNUC [Provisional National Unity Council] meeting, under the title "The Romanian Economy—Whereto?".

The structure of the industry and of the economy in general, the prime minister began, developed more markedly in a Stalinist way after 1975: Enormous production units were created in the basic industries (iron-and-steel, chemistry, mining and others) and the productive sectors which met the population needs and Romania's integration in the economic exchanges worldwide were neglected.

The investments made after 1975, the premier said, wasted the indigenous resources, abusively took over agricultural resources and foreign credits to place them in the basic industries with no resources of their own. The hypercentralization of the economy turned into an aberration the modern epoch has never known before.

Subject to an absurd autarchy and facing the impossibility to be profitable in the world circuit, the Romanian economy fits no model based on scientific economic laws. Primitive management and arbitrary will produced the most serious imbalance in any economy between the productive apparatus and resources, power in particular. Large investment and the fast repayment of the foreign

debt forced technologies, installations and even human resources beyond the resistance level with no concern to protect the environment.

NSF Said To Represent 'Reformist Communists'

AU2102163490 Bucharest ROMPRES in English 1450 GMT 21 Feb 90

["Two Revolutions"—ROMPRES headline]

[Text] Bucharest ROMPRES, 21/2/1990—There were two revolutions in Romania, not one, maintains literary critic Adrian Marino in an article the evening daily "DREPTATEA" runs in its Tuesday issue, which claims to be "a rostrum of fight against communism."

Here is how the author defines them:

The first revolution, from top to bottom, if not unleashed (all occurred against the background of a spontaneous people's uprising) at any rate integrated, restored and oriented very fast by a limited and organized group of reformist communists toward a Romanian variant of "Perestroika." This group was and is definitely anti-Ceausescu but not anti-communist. The NSF's [National Salvation Front] turning into a party which virtually reinstate the former RCP [Romanian Communist Party] organizations clearly shows its goal: to continue a reformed communist system with a minimum of concessions.

The second revolution, from bottom to top, spontaneous, popular was and is anti-communist.

This revolution runs the risk of getting permanent since it was and is at strife with the former revolution. The forces that understand to continue the anti-communist revolution are, in everybody's opinion, the political parties and the youth. The youth's opposition is peaceful but irreducible. The era of Marxisms of any kind has passed, Adrian Marino assesses.

ROMANIA LIBERA on Creation of PNUC

AU2202144090 Bucharest ROMANIA LIBERA in Romanian 11 Feb 90 p 1

[Tia Serbanescu article: "An Interesting Case"]

[Text] Within the rather confusing framework of the meeting on the creation of the Provisional National Unity Council [PNUC], Mr. Cazimir Ionescu took the floor to clarify a few things. Unfortunately, these "clarifications" did nothing but confuse us even more. Speaking about the legitimacy of the parties present, Mr. Cazimir Ionescu—with the intention of cutting off their speeches—reminded all of them that they would have no legitimacy had the National Salvation Front [NSF] Council not existed. In other words, they owe the NSF Council gratitude for their existence.... However, would the NSF Council have existed and would it have had any legitimacy if the revolution had not taken place? We believe that both the PNUC and the Front and all the other parties owe their existence to the revolution and not to the "benevolence" of anyone in particular; at least during a revolution one should not speak about the (rather feudal) right of the first born. One thing is sure, Mr. Cazimir Ionescu is more and more worthy...of our attention.

Leaders on Outcome of First PNUC Meeting

AU1702142390 Bucharest ROMPRES in English 1133 GMT 17 Feb 90

["Political Life—Opinions After the First Meeting of the PNUC Executive Bureau"—ROMPRES headline]

[Text] Bucharest ROMPRES 17/2/1990—As we announced, the first meeting of the PNUC [Provisional National Unity Council] Executive Council was held in Bucharest on 16 February. The agenda included the organization and unfolding of the Council's sessions, the members of the Bureau were assigned attributions and the composition of the leadership of the commissions by domains was established.

In connection with the proceedings of the meeting we give the opinions of some vice presidents of this body.

Ion Caramitru: The first meeting proceeded in a positive and responsible atmosphere, vis-a-vis the problems we face now. The most important was the appointment of chairmen by commissions on domains of major interest as they were set up in the 13 February meeting of the Council. The 16 commissions are headed by members of the Council, members of the Executive Bureau and some are coordinated by the president.

Mr. Radu Campeanu: Generally, I have a good impression about this first meeting. But I do not know what will happen next. Now we discussed things [word indistinct] full freedom, an accord was reached on many questions. Obviously, there were no problems which could lead to disagreement, but to different views could be expressed eventually an understanding a consensus on these questions was reached. Personally, I am satisfied with the atmosphere of this meeting. If things go on like this, I think we can do a positive, useful job.

Prof. Manzatu: "It was a real working meeting, despite the fact that the Executive Bureau members are of very different shades. And probably this represents indeed a new stage, politically speaking, at the level of state leadership, because, as we had hoped already at the second PNUC meeting, the Executive Bureau should turn into a responsible body, given the responsibilities it carries. The prime minister, Mr Petre Roman, read an account and was very cooperative. Naturally, a very important fact is the balanced way in which Mr President Ion Iliescu handles so many different proposals and opinions.

Right of NSF Council To Issue Laws Questioned

AU2802102490 Bucharest ROMANIA LIBERA in Romanian 14 Feb 90 p 1

["T.I."-signed note: "Dilemma"]

[Text] Although everybody acknowledged the setting up of the Provisional National Unity Council, decree-laws continue to be issued by the National Salvation Front Council [NSFC]. The Romanians rightfully ask themselves: How many national councils do we have, how provisional are they, which one of them issues decree-laws, and on what legal basis has it assumed these rights? In order to ensure an even more dynamic political scene for our country, we suggest the setting up of two or three councils of a national scope (with the same mysterious composition as the previous two councils) that could assist the NSFC in its activity. Likewise, we suggest that, in accordance with the reality, we should also change Vasile Alecsandri's famous verses, as life requires it: "Where there is one, there is the power." [original Alecsandri verse reads: Where there is one, there is no power...]

Dailies Assess Negative Aspects of Revolution

AU2302200090 Bucharest ROMPRES in English 1727 GMT 23 Feb 90

["Agora—Has the Revolution Ended?—ROMPRES headline]

[Text] Bucharest, ROMPRES 23/2/1990—Romanian political analysts affirm that while in other Eastern European countries an evolutive process is under way, in Romania the revolutionary process goes on. In the first case generally we can see that the existing structures are reformed, which does not affect the profound identity of society, while in the "particular Romanian case," as the daily "TINERETUL LIBER" puts it, "a system makes room for another." According to the same paper, "the general trend" rejects the idea of mimetically adopting specific capitalist structures. Resolved never to return to the communist totalitarianism, and to step upon the road of political pluralism and of the market economy, the Romanian society contemplates a "third way" nobody can coherently describe for the time being.

The struggle which characterises the current revolutionary phase in Romania, Romanian press commentators say, is not that between a majority which would depart from the communist mentality and a minority which would have already departed from it. "It involves a majority which hopes for a novel way and a minority which considers it an utopia ..." shows a commentator. The tension created by the two correlated objectives of the revolutionary process the dismantlement of the previous system and the organization of the new one are natural. Unnatural is their artificial and tendentious exacerbation by narrow-minded groups which turn to advantage the energy of the man in the street."

The paper "ADEVARUL" denies anybody's right to taint the splendor of the revolution. "We are in duty bound to continue, improve and consolidate it," the paper points out and support the idea that the revolution has not ended. "While now two months after the revolution ... Unexpected commotions still occur, it is only a consequence of the unicity of our revolution, compelled to step upon a completely new road, open in such a short time, that we cannot believe our eyes and convince ourselves that the many and diabolical obstacles raised to people's freedom have been really blown out."

"ADEVARUL" points to a negative aspect of the current revolutionary phase the anticipated mistrust in our partners along the democracy road. Supporting the necessity of a strong opposition, now, in the pre-electoral phase, "ADEVARUL" warns some political parties that "it is not proper to return to the point where they left the country but consider the situation in which they found it ... It is bad that they use the revolution taking a small part in its consolidation."

"DREPTATEA" newspaper disapproves of the violent practices of people who, even if they aspire toward an ideal deep in their hearts, take a wrong way when they try to attain it" and say that "such a way does not lead to democracy, but to chaos, disorder and anarchy."

Writer Adrian Marino Asserts 'Two Revolutions'

AU0103202690 Bucharest ROMPRES in English 1808 GMT 1 Mar 90

["Two Revolutions"—ROMPRES headline]

[Text] Bucharest ROMPRES, 1/3/1990—"I believe two revolutions took place in Romania. First a bottom-to-top, profoundly anti-communist one. As participant in and author of this revolution, the Romanian people can no longer bear to be cheated, manipulated or told lies or half-truths" shows Adrian Marino, reputed writer and literary critic in an interview.

"A people who made such a miraculous revolution can no longer be led by means of power based on a single instrument—the terrible force of the Securitate, organized repression and planned suspicion. The second revolution is the "revolution" of the group of former Communists who confine themselves to the elimination of Ceausescu's clan and the promotion of a reformist policy."

As for the relationship between Romanian writers and political developments, Adrian Marino expressed his opinion that the former cultivated a special form of refusal, namely: aesthetism, dissociation of values. But aesthetism itself was practiced under the dictatorship as a form of parapolitical attitude. The departure from everything that may involve the interference of the political into the literary life and the public life of writers in Romania is a compensatory effect easily understandable psychologically but hard to accept from the point of

view of a normal writer's attitude under the current circumstances, Adrian Marino points out.

Marku on 'Nationalist Incitement'

LD1302024390 Budapest Domestic Service in Hungarian 1730 GMT 12 Feb 90

[Text] [Announcer] In recent weeks, there have been more and more demonstrations in connection with the subject of Hungarian language schools in Transylvania. Peter Szorenyi has given an interview in [Tirgu Mures] Marosvasarhely with Bela Marku, a member of the board of the Democratic Federation of Magyars in Romania. [RMDSz]

[Begin recording] [Szorenyi] Differences are being incited here. I went into the town council building with a colleague, where he mentioned that an earlier party propagandist, a party worker, was there and was wandering around there, making himself important.

[Marku] Yes, well we also have the strong suspicion that the exponents of the old system, the Ceausescu-type dictatorship, are those who in this way are trying to salvage themselves for the new power structure. They very quickly discerned the possibility of nationalist incitement, and they are lurking in very great numbers behind the nationalist incitement. The way the situation has developed at the moment in Tirgu Mures, with the tension which has set Magyars and Romanian communities against each other in the schools affair, has opened a way for the natural pluralism, which was beginning to develop within the communities, too. It has opened a way for the multi-coloredness to now suddenly cease. Those who in a natural way should have been put to one side, are being salvaged for the future, by this situation.

[Szorenyi] How can the local RMDSz handle this problem and the Hungarian-Romanian disaccord? For the Magyars are demonstrating, too, for the Bolyai lyceum. Can the Hungarian-Romanian opposition be handled like this, with demonstration after demonstration?

[Marku] This revolution is a half-finished revolution. This means the old structure has been preserved almost everywhere. For example, they have preserved it within education, within the educational system, too. This was a command structure, and within this command structure an attempt was made to try to reorganize certain institutions—for example, the Bolyai secondary school—from below, with self-organization. So, really the conflict was in this, that the Education Ministry did not think in the old structure form, and in my opinion this led to this enormous tension.

This is actually a perfect opportunity for launching campaigns, and for creating unity around a certain nationalistic ideology. [end recording]

12 Minorities Demand Answers From Roman

LD2802125190 Budapest Domestic Service in Hungarian 1100 GMT 28 Feb 90

[Text] At the initiative of the Magyar Democratic Association in Romania, 12 nationality associations and organizations have sent Premier Petre Roman a joint memorandum. They ask why a ministry dealing with minority affairs has not been set up, why the government has appointed a state secretary of ministerial rank to deal with the affairs of Transylvania, and they ask for information concerning this appointment, his tasks, and the scope of his authority. Apart from this, the nationality associations ask for an explanation from Petre Roman, concerning the circumstances in which he made statements in France, about the problems of the Romanian minorities, including that it was not absolutely necessary to extend mother-tongue teaching.

Commission on National Minorities Holds Session

AU2802200290 Bucharest ROMPRES in English 1550 GMT 28 Feb 90

["Minorities in Democracy"—ROMPRES headline]

[Text] Bucharest ROMPRES, 28/2/1990—The daily "TINERETUL LIBER" issued in Bucharest prints an article by Francesco Gerardi on the problems approached at last week's third meeting of the Commission on National Minorities which pursues first of all the clarification of inter-community problems, so as to present them to the Provisional National Unity Council [PNUC].

The paper shows that the debates went along four lines: organizational and administrative problems (some minorities—Slovaks and Czechs, Bulgarians, Lippovans, Greeks, Roms [Romanies] have no headquarters); the creation and organization of education in the mother tongue (no schools, classrooms, textbooks, teachers); the role of mass-media in covering the problems of the national minorities; the necessity of reaching a consensus on living together.

"Isolation, separation," Karoly Kiraly, vice president of the PNUC Executive Bureau, said, "are only Ceausescu's methods creeping back... A principled position should prevail in inter-ethnic relations," materialized in normative acts "which should not allow the manipulation of groups or parties by those interested in destabilization."

Hungarian Defense Minister Signs Communique

AU2802210490 Bucharest Domestic Service in Romanian 2000 GMT 28 Feb 90

[Communique signed by Victor Stanculescu and Ferenc Karpati, Romanian and Hungarian national defense ministers, respectively, "today" in Bucharest]

[Text] The national defense ministers of Romania and the Hungarian Republic, who met in Bucharest, on 27

and 28 February 1990, emphasized that, as a result of important social and political changes that have taken place in the two countries, conditions were created for an expansion of the relations between the two armies, thus contributing to greater mutual trust between Romania and the Hungarian Republic. One can favorably conclude that the mutual links established during the Romanian revolution had a positive influence on the efforts to increase trust between our countries, peoples, and Armies.

The two sides express the conviction that, within the framework of the new relations of friendship between the Romanian and Hungarian peoples, our Armies—through specific means available to them—can positively influence the course of these relations. In view of these possibilities, the national defense ministers agreed to promote a climate of mutual respect, sincerity, and correctness in order to further improve cooperation between the two Armies.

In the framework of the good relations existing between Romania and the Hungarian Republic and between the friendly Armies, the two Armies support: the further preservation of existing information links between the managements of the two Ministries of National Defense; the holding of professional meetings between leading Army cadres at various levels; the expansion of cooperation between Romanian and Hungarian military press organs; and the organization of mutual exchanges of cadres for study in higher military education institutions in the two countries.

Aside from the fulfillment of provisions of the existing cooperation plan, the two ministers agreed to take steps to diversify relations in military training and in cultural and sports activities.

Both ministers emphasized the need to set up a joint commission of military historians who should meet on a yearly basis for an exchange of scientific information and the elimination of any disputes that might crop up due to a different interpretation of events in the history of the two peoples.

The sides will endorse actions taken to preserve the historic monuments on the territory of each country, in accordance with legal provisions prevailing in Romania and the Hungarian Republic.

The two ministers agree that, in the sphere of economic and military relations, one should take into consideration convergent interests and the potential of the national economies of the two sides. In this spirit, steps should be taken to fulfill the commitments and agreements that have been or will be concluded.

At the same time, the two ministers agreed that the two Armies should search for and identify further areas of technical and military cooperation, including military construction projects for defense.

Signed by Colonel General Victor Atanasie Stanculescu, national defense minister of Romania, and Colonel General Ferenc Karpati, national defense minister of the Hungarian Republic.

Timisoara Democratic Union of Serbians Formed

AU2202161290 Bucharest ROMPRES in English 1240 GMT 22 Feb 90

[Text] Bucharest ROMPRES 22/2/1990—The Democratic Union of Serbians in Romania was set up in Timisoara. It intends to represent the interests of the Romanian citizens of Serbian and Croatian nationality in Timis, Arad, Caras-Severin and Mehedinti counties, namely the reinvigoration of spiritual life, the preservation of traditions, the development of education with tuition in the mother tongue, better mutual knowledge of the history of the ethnic minorities in this part of the country.

National Reconstruction Party Legalized

AU2202221890 Bucharest ROMPRES in English 1838 GMT 22 Feb 90

[Text] Bucharest ROMPRES, 22/2/1990—On 21 February 1990 the National Reconstruction Party, Romania's 48th political party, became a juristic person.

This centre party is open to membership to all Romanian citizens in the country or abroad without distinction as to sex, nationality, socioprofessional class, religion or past political belief as well as to cooperative and public organizations. The aims of the National Reconstruction Party are democracy, freedom and dignity for the Romanian people and Romania's reconstruction in all spheres of activity in a spirit of responsibility and national reconciliation under the motto "prosperity for all," said Ovidiu Tocaciu, a lawyer, the provisional chairman of the Provisional National Coordinating Council.

Pursuing Romania's assertion as a unitary national sovereign, independent and indivisible state, founded on the conquests of the December 1989 revolution, the party works for Romania to become an equal member of the great democratic concert of a future humanistic Europe united in its diversity, including the "spiritualization" of the frontiers as it was conceived by the great Romanian diplomatist Nicolae Titulescu.

Acts of Vandalism in Oradea Synagogue Reported

AU2302172890 Bucharest Domestic Service in Romanian 1100 GMT 23 Feb 90

[Text] During the night of 15-16 February, unidentified individuals committed acts of vandalism by breaking the door and entering the Jewish Synagogue in Oradea, ROMANIA LIBERA reports.

As could be learned from the Federation of the Jewish community in Bucharest, the individuals destroyed furniture and worship objects in the Synagogue.

This outrageous and profoundly condemnable act, ROMANIA LIBERA emphasizes, which is coupled by other such acts noted of late in our country, was reported to the local authorities, the Ministry of Interior, and to the Ministry of Cults.

Iliescu Meets Youth League Delegation

AU2702213690 Bucharest ROMPRES in English 2004 GMT 27 Feb 90

[Text] Bucharest, ROMPRES, 27/2/1990—Tuesday, the president of the Provisional National Unity Council Ion Iliescu, met, for the second time in the last 24 hours, with representatives of the Youth League of Romania (the first meeting took place on 26 February).

The League representatives set forth to President Ion Iliescu a number of requests of the youth regarding the taking over of the assets that belonged to the former youth organization, the youth's representation to the Provisional National Union Council and to the government.

As the representatives of the League stated to a ROMPRES editor, the birth certificate of this organization, with a membership of more than 500,000, was issued in Brasov by a Constituent Assembly that held its proceedings on 24 and 25 February. The setting up meeting was preceded by regional conferences held in Bucharest, Bacau, Tirgoviste, Baia Mare and Giurgiu that sent their representatives to Brasov.

The Youth League of Romania includes organizations from all counties (except Timis and Tulcea which adhered but have not sent their representatives). The organization is nonpolitical therefore the youth enrolled in the youth organizations of the political parties cannot be in its membership.

We are here to find a way for the representation of this national youth organization to the central power bodies, for a policy of the youth to the elaboration of which the youth should contribute, for any political option to be approved also by the youth. We want an involvement of the youth in both the working out of the political line and in its translation into fact.

We are convinced that the unity of the youth is the only guarantee that the revolution will actually remain of the youth, not only in the press or in the future history books.

During the interview with Mr. Iliescu we discussed in a constructive spirit of mutual respect and, what must be stressed in particular, we found a greater receptivity then we expected. We hope—were we to find the same understanding with the government as well—that the mission the youth have entrusted us with will be successful. This statement was made by spokesmen of the League.

Peasants Party Holds Nationwide Conference

AU2802195590 Bucharest ROMPRES in English 1821 GMT 28 Feb 90

[Text] Bucharest ROMPRES, 28/2/1990—A conference was held in Bucharest of the county and city organizations of the Christian and Democratic National Peasant Party [NPPCD].

The meeting of the heads of the organizations, the first since the party has been reestablished, attended by members of the provisional leadership of the party, was meant to provide accurate information about the organizational situation in the territory, in the perspective of the calling of the party's congress scheduled for the first decade of April.

From the accounts read it results that the membership of this party is of over 400,000, Timis County having the largest organization—more than 52,000 members, followed by Hunedoara, Olt and Arad counties. Eight weeklies, organs of the NPPCD, are put out throughout the country.

Social Democratic Leader Outlines Strategy

PM0103191990 Stockholm DAGENS NYHETER in Swedish 28 Feb 90 p 11

[Christian Palme dispatch: "The Opposition Gets Together"]

[Text] Bucharest—Romania's three traditional democratic parties have begun talks with the aim of fielding a joint anti-Communist list of candidates in the May elections, Social Democratic leader Sergiu Cunescu told DAGENS NYHETER.

The threat from the dominant National Salvation Front now appears to be forcing the three "historic" democratic parties in Romania into cooperation in the run-up to the 20 May election. The National Peasants' Party, the National Liberal Party, and the Social Democrats have begun informal talks about fielding a joint list of parliamentary candidates.

The three parties cover a spectrum from mild conservatism to democratic socialism and represent Romania's democratic traditions from the period between the wars. The Peasants' Party and the Liberals have their roots in the formation of the Romanian state in the 1870's.

What appears to be bringing the three parties together is the threat from the National Salvation Front, which took over the leadership of the revolution in December and which later turned itself into a political party. At the same time they are under pressure from a horde of new parties—so far 48 parties, each with at least 251 members, have been registered in Romania.

These included two rival environmentalist parties, a Christian Democratic Union, and several parties representing various minorities.

"The National Salvation Front has set in motion an intensive propaganda campaign against the traditional parties," the Social Democrats' Sergiu Cunescu said.

Cunescu, a distinguished elderly gentleman, who speaks an educated French, resides on one side of Palace Square in a little nineteenth century house, which crouches beneath the vast Central Committee building of the now dissolved Communist Party. A laughing aide told me that during the war the stuccoed house was the German Gestapo's Bucharest headquarters. Cunescu no longer seems to have any illusions about the National Salvation Front.

"The Front is doing everything they can to compromise us; they ridicule us and claim that we want to sell Romania to foreigners," Cunescu said.

"The latter charge in particular is absurd given that National Salvation Front Prime Minister Petre Roman is continually traveling round Europe begging for foreign aid."

Cunescu did not hesitate when asked whether the National Salvation Front is a new communist party.

"The Front is the Communist Party! A party with 40 [figure as published] million members cannot simply disappear," Cunescu said.

"The Front gives itself away in the way it describes what has happened in Romania. They never talk about the 'Communist dictatorship,' only about the 'Ceausescu dictatorship.' They condemn the terror in December 1989, but not the eradication of the democratic politicians after 1947."

The three parties, which since the beginning of February are working together with the National Salvation Front and around 20 other parties in the "Council of National Unity," have on the surface at least almost identical programs. All parties in Romania, including the National Salvation Front, now support a gradual transition to a market economy, free trade unions, the privatization of state industries, and the distribution of land to the peasants.

The differences lie in the views taken of the role of the state and the trade unions, for example. The National Salvation Front attaches greater importance to the state, while the Social Democrats stress the role of the trade unions. An independent national trade union confederation has already been formed in Romania and more than 2,000 local free trade unions have also been registered.

What is most remarkable is that both the National Liberal Party and the National Peasants' Party are cautious in their calls for the break-up of the giant state agricultural collectives. Breaking up the agricultural collectives is only possible in the long term, Andrei Chiliman of the National Liberal Party told DAGENS NYHETER.

Former Prisoners Association Presents Platform

AU0103201390 Bucharest ROMPRES in English 1854 GMT 1 Mar 90

["The Parties Introduce Themselves—Former Detainees' Association"—ROMPRES headline]

[Text] Bucharest ROMPRES, 1/3/1990—As we previously announced an Association of Former Detainees and Victims of the Dictatorship has been created in Romania, which is represented to the Provisional National Unity Council. The president of the association, Mr Constantin Latea, supplied a few details: Almost 20,000 people have so far adhered to our association which is headquartered in Bucharest and has branches in almost all counties. We are still organizing ourselves.

The association militates for the rewriting of the history of the Romanian people according to the truth. It will also militate for the reconsideration of Romania's participation in all the battles of the Second World War and for the honouring of all those who died, in keeping with the traditions of the Romanian people. The association will also work for the safeguarding of the rights of those who had to suffer because of their anticommunist beliefs and for the reparation of wrongs, for instance to add the years one spent in prison to one's length of service. A number of commissions have been set up to conduct studies, inquiries which will be published in the press organ of the association.

Democratic Union Party Publication Issued

AU0203102490 Bucharest ROMPRES in English 0934 GMT 2 Mar 90

[Text] Bucharest, ROMPRES, 2/3/1990—The first issue of MESAGER, a publication of the Democratic Unity Party, has been put out today. In its frontpaged section on current issues, the party's president Nicu Stancescu speaks up for the establishment of a prosperous republic in Romania that should definitively exclude the communist ideology and give its leadership legitimacy through free, democratic, multi-party elections. The eight pages of the publication comprises the character of the Democratic Unity Party, articles, notes and commentaries on the country's political and social life, a synthesis of the universal declaration of human rights as well as notes and commentaries on foreign events.

* Voting at PNUC Session Criticized

90EB0291A Bucharest ROMANIA LIBERA in Romanian 15 Feb 90 pp 1, 2

[Article by Marin Mincu: "The First 'Lesson' in Democracy"]

[Text] Yesterday we watched on television the downright embarrassing awkwardness of the first lesson in voting democracy "taught" for free by the country's "miniparliament" established by the new Provisional National

Unity Council [PNUC]. I don't know whether our Latin taste for comedy (not to mention farce) was satisfied, but I think that such "blunders" must be eliminated in the future, otherwise there are increasingly alarming signs concerning our advance toward democracy.

We remember with horror how perfectly the "democratic apparatus" of the defunct tyranny worked. We must admit that the mechanisms of that monstruous system were undefeatable; they showed a diabolical inventiveness (and "creativity"), patented from the most efficient "models" of all times and all places. An entire nation was drilled (by expert instructors-activists from the Stefan Gheorghiu Academy, from which many of our "contemporaries" graduated con brio) in how to react (how to "raise" a problem, how to applaud, what slogans to chant, etc.) to the valuable "guidelines." With minute exceptions, there are very few examples of cases in which the infernal machine didn't work. The "support" and "attachment" of everyone validated its perfection.

And what is happening now? Most probably, our hereditary inertia being impossible to cure in just one and a half months, the system of "support" for a single view could not have disappeared, so that the same system continues without change. When Mr. Ion Iliescu initially suggested the method of open ballot, many "parliamentarians" immediately hastened to "support" the idea, continuing to applaud it even after the PNUC chairman adopted a more constructive attitude. Even if on the surface things were satisfactorily resolved (remains to be seen how it will work in practice), the "spontaneous" spectacle of the new "supporters" was not in any way different from the all too familiar image of a sad unanimity "freely" upheld.

As everyone knows (and as some of our jurists reiterated), in any country in the world, secret ballot is the most elementary tool for establishing a democratic form of leadership of a society (even if the votes appear on an electronic board, they're always secret!). Today, when observers throughout the world watch us (and all the other East European countries in a process of democratization) to see in what direction we will steer our ship of incipient democracy, we are attempting to be more orginal than others (who may have centuries of democratic experience behind them) and to show "creativity." Why use the secret ballot as a sacred principle of democracy, when we can come up with something "new," thus providing them with a lesson in creative assimilation? (Under the dictatorship, too, there was always some such "novelty," by which to "democratically" deviate from the normal!) Much better to advance, right? And to vote openly, for all to see, whatever the position (standing, with one hand, or with two raised hands...) But isn't that how balloting went before? Unaware of being ridiculous, we proclaim the novelty of open vote (having enjoyed it for 45 years) as the visible sign of social and political democratization, we, who felt very proud toward the French for having had a "revolution" 200 years after theirs. In another 200 years we will probably come to understand the error of such a "development" concerning ballots. By which time it will be completely useless!

Kosovo Albanians, Serbs, Others Meet in Mostar

AU0103161890 Ljubljana Domestic Service in Slovene 1430 GMT 1 Mar 90

[Text] At a news conference in Mostar, the organizers of the meeting to reconcile the disputed parties in Kosovo have explained the closing statement, the first document on the beginning and the continuation of the dialogue between the representatives of the Serbs and Montenegrins on the one side, and the ethnic Albanian informal or alternative organizations, parties, and alliances in Kosovo on the other. Marjan Rogelj reports from Mostar:

[Begin Rogelj recording] The first tiny step, deserving all the respect, has been made. The dialogue, or negotiations, have not ended in a blind alley. On the contrary: It has been agreed that they will continue in Pristina at the end of March.

At this moment, it is difficult to comprehensively assess how much has been achieved here in Mostar, but there are some facts requiring a positive mark. For instance, both sides have advocated very contrary viewpoints, polemicized, and made some sharp accusations, but they did agree that the talks should be continued, which we may take as the meeting's greatest success.

Perhaps the assessment will be even better after the similar meeting in Pristina. All the representatives of the alternative and other organizations of Serbs, Montenegrins, and Albanians should negotiate there, and official political structures may perhaps attend. It is extremely significant that they accepted the proposal of the Association for the Yugoslav Democratic Initiative that all hostilities should be stopped for a month, that each side should appeal to its people, and all of them to the authorities, to refrain from all actions and moves that could provoke dissatisfaction among the people in the province.

During this time, the withdrawal of the militia and the Army should begin, and some emergency measures should begin to be lifted. At the same time, work should resume in plants and mines, in schools, and in the university.

A special neutral commission will be formed and it will prepare a report for the Pristina meeting on how justified or wrong are some of the hottest assertions presented at the Mostar meeting. Above all, the commission should offer new starting points for the resumption of negotiations.

These are the informal conclusions, which are encouraging in their content. They have not been achieved with full agreement, but nevertheless they are a platform that promises much. Unfortunately we must be aware that the representatives of real political centers have not attended the meeting. For the time being they are still able to, and perhaps will, channel the newly born Mostar dialogue to their own interests and contribute to its isolation or even a premature end.

The democratic people and the alternative movements all over Yugoslavia want this the least, particularly since the ultimate aim of the dialogue initiated is free elections in Kosovo and reconciliation among people in the most noble meaning of the word. [end recording]

Bozur Association Boycotts Talks

LD0103233890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1834 GMT 1 Mar 90

[Text] Pristina, 1 Mar (TANJUG)—On behalf of all its branches the Kosovo Polje-based Bozur Association for the return of Serbs and Montenegrins sent a telegram today to participants of the roundtable talks on Kosovo held in Mostar. They informed them they will not take part in the talks.

As their reason for not coming, they cite that, apart from a routine invitation, they have received no materials or programs for the meeting. They especially stress that "they do not wish to have a dialogue with alternative parties, movements, and associations which simultaneously advocate dialogue and terror, talks and separatism, hatred and redrawing of borders and which evoke the past."

They express willingness to participate in any dialogue, discussion, talks, and harmonization of views with, and even accept different opinions expressed by legitimate parties, movements, and associations in the entire country, whose programs, irrespective of their differences, are in accordance with constitutional principles, legal regulations, and programs. They recall that the Bozur Association is legally registered with competent inspection and state judicial bodies and that the nature of its programs is not at all like that of the alternative groups.

Roundtable on Kosovo Ends

LD0103235490 Belgrade TANJUG in English 2313 GMT 1 Mar 90

[Text] Mostar, March 1 (TANJUG)—A round table on Kosovo of alternative groups, held in the Yugoslav city of Mostar and organized by the local branch of the Association for Yugoslav Democratic Initiative (AYDI), ended on Thursday with a call to the public and the federal state bodies demanding, among other things, the gradual withdrawal of the federal combined police force from Kosovo Province.

Kosovo's population is requested to refrain, over the next 28 days, from protests and to return to its everyday duties.

Two members of the Committee for the Truth about Kosovo refused to sign the statement.

All participants at the round table agreed that an independent committee should prepare a detailed report on all controversial issues and present it at the next meeting

in Pristina, scheduled for early next month, which will focus on human rights and democracy in Kosovo and Yugoslavia.

The Mostar gathering was attended by representatives of 11 AYDI, the Committee on the Truth about Kosovo, the Yugoslav forum for Human Rights and Legal Security of Citizens, Peasant Parties from Kosovo, the Democratic Alliance and the Social Democratic Party, the Youth Parliament, Democratic Party from Titograd (Republic of Montenegro) and the Social Democratic Alliance of Yugoslavia.

Absent were official representatives of the Socialist Alliance of the Working People of Yugoslavia, the Republic of Serbia and Kosovo.

The Association for the Return of Serbs and Montenegrins from Kosovo Polje, today sent a telegram to the participants of the Mostar round table saying it would not attend because it did not receive any materials or programs, but also because it "does not want to enter a dialogue with alternative parties, movements and associations which offer both dialogue and terror, talks and separatism, hatred and the altering of boundaries and the revoking of the ghosts of the past."

Situation in Kosovo Updated 2 Mar

LD0203041390 Belgrade TANJUG in English 0300 GMT 2 Mar 90

[Text] Pristina, Mar 1 (TANJUG)—The government of Kosovo, a province in the Yugoslav Republic of Serbia, on Thursday concluded that all conditions had to be ensured for the safe operation of schools, the university and student dormitories, journalists were told in the provincial capital of Pristina.

Schools which only have a small number of pupils attending Serbo-Croatian classes, should enable them to attend school in the morning.

The classes in the Albanian language are being held normally in practically all Kosovo schools, while Serbian and Montenegrin pupils are not attending classes. Some 600 Serbian, Montenegrin and Moslem pupils of Kosovo today came to Belgrade to demand the Yugoslav public to provide peace and for police to ensure their safety in schools.

For the first time in a month, a joint meeting of the occupants of the student dormitories in Pristina of all nationalities was held on Thursday. The meeting was attended by head of the Communist Provincial Committee Rahman Morina and other top officials of Kosovo, who asked for inter-nationality tolerance and a democratic dialogue. However, the deep inter-nationality divisions at the meeting were not overcome.

A radio program in Serbo-Croatian in Pristina, which was suspended on Wednesday, was not broadcast again on Thursday. Journalists are demanding to separate into another firm in order to avoid working with those who took part in the destructive demonstrations of Albanian separatists and terrorists against the constitutional position of Serbia and Yugoslavia.

Kosovo on Thursday recorded only one strike in a factory in Urosevac, while ethnic Albanian miners in the mines of Kisnica and Novo Brdo are often absent from work. The government concluded that those who are inducing the strikes must be suspended.

Government Measures on Serbian, Slovenian Dispute

LD0203112990 Belgrade TANJUG in English 2355 GMT 1 Mar 90

[Text] Belgrade, March 1 (TANJUG)—The Yugoslav Government has removed the top federal market inspector because he failed to implement its measures regarding the halt in business cooperation between Serbian and Slovenian firms, it was announced here on Thursday.

The Yugoslav Government will also implement sanctions against officials of the public auditing service if they fail to collect the contribution to the federal fund for the under-developed regions, which the Slovenian Government had rejected to pay.

The break in cooperation between the two republics' firms and the non-payment into the fund for the underdeveloped, are contrary to the Yugoslav Constitution and seriously jeopardize the realization of the social and economic reform, the government session said.

The government's attempts so far to settle the disputes by way of political means gave no adequate results. The government is now tightening the responsibility in observing the law and demanding from all federal organs to strictly implement all legal provisions, regardless of who they refer to.

The government on Thursday adopted a report on the final coordination of the text of the memorandum on economic policy with the International Monetary Fund (IMF), submitted by Zarko Trbojevic, the head of the Yugoslav delegation at the recent talks with the IMF in Washington.

Slovenes Block Development Fund Plan

LD0103210190 Belgrade TANJUG in English 2319 GMT 28 Feb 90

[Text] Zagreb, Feb 28 (TANJUG)—The Assemby of the Yugoslav Federation's fund for financing the development of the economically underdeveloped republics and provinces did not adopt a financial plan for 1990 at its session in Zagreb on Wednesday after the delegation of Slovenia failed to approve the document.

The Slovenian delegation referred to the decisions of the republican assembly on counter-measures to the economic blockade of Slovenia declared by Serbia early last December.

The blockade followed a ban by Slovenian authorities on a rally which Serbs and Montenegrins from Kosovo planned in Ljubljana to inform Slovenians on the truth about the situation in the province.

The Slovenian delegates informed the assembly that between December 1 last year and January 9 this year, 483 business ties between the two republics, involving deals worth a total of 17.8 billion dinars, had been severed.

The Slovenian delegates informed the fund's assembly of their republic's stand not to pay 47.1 percent of its obligations to the federation fund which relate to Kosovo while all other contributions for economically underdeveloped republics will be fulfilled entirely.

Slovenian Premier Dusan Sinigoj told a meeting in Ljubljana recently that the republic would prevent any attempt at a linear re-distribution of funds in the fund for the underdeveloped by sending its contributions directly to the republics of Bosnia-Herzegovina, Montenegro and Macedonia.

Meanwhile, a decision on the temporary financing of the fund until March 31 is in effect.

Organization Demands Slovenia Pay

LD0103094290 Belgrade TANJUG Domestic Service in Serbo-Croatian 1640 GMT 28 Feb 90

[Excerpt] Zagreb, 28 Feb (TANJUG)—At today's session held in the Croat Economic Chamber in Zagreb, the Assembly of the Federal Fund for Financing Speedier Development of Economically Insufficiently Developed Republics and Autonomous Provinces failed to adopt a financial plan for 1990, because the Slovene delegation refused to endorse it. Recalling the Slovene Assembly decision about countermeasures regarding the economic blockade imposed by Serbia, the Slovene delegates informed the assembly of their decision not to pay 47.1 percent of their overall financial obligations toward the federal fund earmarked for Kosovo and to honor their obligations toward other economically insufficiently developed republics: Bosnia-Hercegovina, Montenegro, and Macedonia.

The director of this federal fund, Momcilo Cemovic, informed the assembly about the related letter sent to the Slovene Executive Council, which draws attention to the unacceptability of such a decision which violates existing federal laws. The letter also demands reconsideration of the Slovene decision. The fund is brought into existence by the current Constitution and laws, and as long as these are in force obligations toward the fund must be honored. In this sense, it is demanded that the Federal Executive Council take steps permitted by its authority, Cemovic emphasized. [passage omitted]

Reportage on Slovene Parties' Activities

Army Communists on New Party

AU2202092590 Ljubljana DELO in Slovene 16 Feb 90 p 2

[TANJUG report: "Communists of the Fifth Army Region Are Not Godfathers of the New League of Communists in Slovenia"]

[Text] Ljubljana, 15 Feb (TANJUG)—We strive for the recognition of the legally elected organs of the League of Communists of Yugoslavia [LCY] and for a thorough preparation and continuation of the work of the 14th Extraordinary LCY Congress, which is the condition for the LCY's transformation into a democratic political organization, in which all its parts will be independent and equal.

This was said today at a session of the Committee of the LCY Organization in the Fifth Army Region. It was stressed that the LCY Organization in the Yugoslav People's Army [YPA] should be preserved in the future. Colonel Vaso Predojevic, president of the Committee of the LCY Organization in the Fifth Army Region, stressed that under the present circumstances, we must not in any way weaken the YPA as the joint armed force of Yugoslavia's peoples and nationalities. He also said that the YPA advocated comprehensive social reforms which for reasons of principle must not be questionable.

Vaso Predojevic also spoke about cooperation with the League of Communists [LC] of Croatia and the League of Communists of Slovenia. He stressed that this cooperation must be further strengthened in all institutional and extrainstitutional forms and that one should proceed from the assessments and stands of the LCY organs and the organs of the LCY in the YPA, but should also take into account the assessments of the organs of the LC of Croatia and of the LC of Slovenia.

Individuals and small groups of members of the LC of Slovenia—civilians, including some pensioners (in Domzale and Ljubljana)—gave an initiative for the formation of a so-called Communist Party of Yugoslavia or of the LCY in Slovenia, it was said at the session.

Some Slovene leaders in their interviews and some media hint at our League of Communists organization as being linked with this initiative. We have never made any such initiative, and we also do not support the initiators of these activities. They have no support in our organization, and we do not intend to occupy ourselves with this problem at all, particularly not because such initiatives only deepen the crisis in the LC of Slovenia and in society in general.

Communists Hold News Conference

AU2602164490 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 26 Feb 90

[Text] At a news conference on the premises of the Republican Central Committee in Ljubljana, Boris

Muzevic briefed the journalists on the essence of detailed consultations held last Friday on the new Yugoslav policy of the former Slovene organization of Communists which now calls itself the Party of Democratic Reforms. Relja Atanasijevic has the details:

[Begin Atanasijevic recording] For the former Slovene organization of Communists the continuation of the 14th Extraordinary Congress of the League of Communists of Yugoslavia is out. Instead, a new congress with completely new foundations may be considered in one year. This is the essence of the statement by Boris Muzevic who sees the Yugoslav Communists' future organization as a completely reformed democratic organization made up of the voluntarily joined independent republican parties, even though they may have completely different names.

Muzevic said that this was the view expressed at the detailed consultations held last Friday on the premises of the Republican Central Committee. He said that the political map of Yugoslavia has recently changed significantly and that what has until recently been regarded as heresy has now become or is becoming a reality. The League of Communists [LC] of Croatia, Bosnia-Hercegovina, and Macedonia are reforming themselves, and a multiparty system is being created in the country. The former Slovene organization of Communists wants to direct all these trends. Therefore, it maintains contacts with those parts of the LC which are ready to hold talks and cooperate. They are also in touch with a number of other democratic forces that are only now emerging, but not with Tudjman's party. The Democratic Party of Serbia is another matter.

The Slovene Party of Democratic Reforms, Muzevic said, has sent a letter to Pancevski and other organizations in which it expresses its views and stresses that Yugoslavia is its main choice and orientation and that it has not abandoned socialism. Replies have, however, not arrived in Ljubljana yet.

As regards the Slovene initiative for the organization of a joint meeting by a president of one of the republican central committees, Muzevic said that some organizations have sent a positive reply and that the committees of Serbia and its two provinces were against the idea.

The question concerning the founding of a parallel party of the LC in Slovenia drew particular attention. The already familiar answer followed: This is a democratic right of those Communists in Slovenia who think that they should organize themselves. However, if somebody from outside Slovenia tried to do that, this would be understood as an attempt to create the fifth column and would disturb the public and cause difficulties.

Answering the question as to whether the already registered name of the Party of Democratic Reforms and its first initials ZKS represent a strong barrier to the existence of two Leagues of Communists in the republic, although these initials are not supposed to mean anything, Muzevic said: This is a problem for lawyers. [end recording]

Social Democrats Hold Congress

AU2402172190 Ljubljana Domestic Service in Slovene 1430 GMT 24 Feb 90

[Text] Shortly after 1300, the first regular congress of the Social Democratic Alliance of Slovenia opened in Ljubljana. It is being attended by about 300 delegates and guests. The participants first heard a short cultural program presented by Glasbena Matica Slovenije, elected the congress bodies, and then listened to the report submitted by Social Democrats President Joze Pucnik. Marjan Rogelj reports:

[Begin Rogelj recording] The congress is held in one of the Cankar Center halls, against a backdrop (?displaying) a rose and a Slovene flag devoid of the five-pointed star. Pucnik's speech was interrupted several times by stormy applause. Let us acquaint you with it in a shortened form:

Despite pluralism, Communists are still in power in our country, and they have proclaimed that the party state should be abolished. At the same time, however, they calmly use this same party state and all its privileges in order to win the elections at any cost. Pucnik added that the Communists must be clearly told that by ceasing to arrest people for political activities, they restored only a basic human right to us, and they should not expect any gratitude or praise. They should not expect that they can win the elections, simply because they have ceased to oppress the Slovene people.

The goal of the Slovene Social Democrats is the abolition of the Communist or real socialist system in Slovenia, and a change of the position of Slovenia in Yugoslavia. Therefore, the speaker said, their first task after the elections will be to adopt a new Slovene Constitution as soon as possible. The first working sessions of the Slovene Assembly should adopt measures to counter the acute economic crisis that imperils the material welfare of the Slovene people, in particular measures to proclaim a temporary suspension of all the federal laws that restrict Slovene economic sovereignty, increase the powers of the Slovene state bank, ensure the introduction of a Slovene means of payment, and stop the payments to the federation.

At the same time, they will advocate a confederation in which the Slovenes would enjoy virtually full sovereignty as a state and in all areas where problems are settled. Pucnik said that the abolition of the communist political system is primarily a practical and economic problem. He said, among other things, that the Slovene politicians bargained away the rights of the Slovene people when amendments to the federal Constitution were adopted.

He also attacked the Markovic program, saying that it is a peculiar mixture of oil and water, causing the transfer of billions of dinars within the state and reducing the powers of Slovenia.

Several greetings speeches followed. In one of them, Pirnat, representative of the Slovene Democratic Alliance, described the Markovic program as a military coup carried out by a civilian junta. Peterle, from the ranks of the Christian Democrats, said that the mighty men of the past still haunt the present, but we sing "The Toast" [reference to the poem by France Preseren proposed to be the new Slovene anthem] which will win. Oman, of the Peasant Alliance, concluded his greeting speech by saying: May God give you luck. Franc Hude, of the League of Communists of Slovenia-Party of Democratic Reform, drew attention to the fact that the Communists were accused immediately at the beginning of the congress, and said that history should tell what merit they have for the opening of the democratic processes.

In the afternoon, the participants at the congress of the Social Democratic Alliance of Slovenia will listen to seven program speeches, conduct elections, and adopt the congress documents. [end recording]

Socialists Draft Party Program

LD2302032390 Belgrade TANJUG in English 2251 GMT 22 Feb 90

[Text] Ljubljana, Feb 22 (TANJUG)—Slovenian Socialists continue the achievements of the European socialist movement and are in favour of a parliamentary democracy, legal state, human rights and a market economy, it was said in Ljubljana today at a gathering at which the party's election program was presented.

The Socialists will take part in the first post-war multiparty elections in this Yugoslav republic, scheduled for April.

The gathering, attended by around 500 members and sympathizers of the party, was mostly devoted to the sovereignty of the Slovenian republic and its position in the Yugoslav Federation. One after the other speakers insisted on the political, economy and cultural sovereignty of Slovenia, and were against increasing the competencies of the federal state. They also asked that Yugoslavia be formed as a community of independent republics.

Slovenians are for Yugoslavia but on condition that it be transformed into a modern federation of states, it was set out at the gathering. The proposals on the future organization of the state which were set out at the meeting ranged from a confederative organization of the country to the breaking off of Slovenia from Yugoslavia.

Socialist Alliance Adopts New Program

AU1701142790 Ljubljana DELO in Slovene 10 Jan 90 p 1

[Jana Taskar report: "Socialist Alliance of Working People Is No More—It Is Socialist Alliance Now"]

[Text] Ljubljana 9 Jan—The Socialist Alliance of Slovenia is not going onto the rubbish heap of history, and nobody must bar its way to becoming a modern, independent political organization. We heard this thought expressed several times at the program session of the Socialist Alliance of Working People Republican Conference, which was more a congress than a program session, for it adopted its first independent political program as well as the draft statute of the renewed Socialist Alliance.

The program session of the Socialist Alliance should have been held on 20 December, but because of numerous sessions and meetings, it had to be postponed until January. Perhaps this was good, because in this way there was more time to sharpen the new image of the Socialist Alliance, which was discussed by President Joze Smole in his introduction.

Forty-six delegates discussed the report on the work, the program entitled "With Democracy and Creativity into a Better Life," and the draft statute, which is very to the point and clear. Some speeches still adhered to the well-tested formula of the past, when the results and troubles of society's parts, especially various associations, were recited. The majority of the speeches nevertheless focused on the new Socialist Alliance, which some people have already left, saying that the time has come to part our ways (the Trade Unions). In other words: We are going our independent ways, but this does not exclude partnership; in a small country like Slovenia this is necessary, and the programs of the Socialist Alliance of Working People and of the League of Communists are so similar that there is no doubt that the organizations will continue to cooperate (the League of Communists).

Anyhow, 9 January is the day when an independent Socialist Alliance of Slovenia was founded. This name received majority support, but they accepted it only temporarily, because the overall image of the organization is yet to be created, and the idea that a red carnation, a symbol of the European left, should be adopted as a symbol has not come too late. Until then this name, as well as the name Alliance of Socialist Slovenia should be protected so that somebody else may not run away with it.

The central thought at the program session was independence now, which includes three notions: sovereign Slovenia, democratic Yugoslavia, and united Europe. All this should be tied up in the slogan: Slovenia Now.

Despite the youths' objections to the effect that the Socialist Alliance, because of its constitutional role,

should not run its own candidates at the coming elections, all the others unanimously decided that the Socialist Alliance should run in the elections as an independent organization. In the election campaign, the Socialist Alliance of Working People's logo [SZDL] will be identified with the basic thoughts of the program: Freedom, Trust, Democracy, People [Svoboda, Zaupanje, Demokracija, Ljudje].

The majority of the speeches indicated that although the new Socialist Alliance will rest primarily on individual members, it will remain open to all who want to join it permanently or on a certain project, but no longer as institutions, because a political organization cannot be a joint stock company. Therefore, several speakers suggested that one should strike out of the statute the provision that membership in the Socialist Alliance does not exclude membership in other organizations and alliances. The statute will be adopted in March, and the founding congress will be held in November.

[The following two passages appear boxed within the body of the item: "The program session also expressed its indignation at the moral decay in Kosovo and physical violence against children. The federal organs should ensure that such things will not happen anywhere in Yugoslavia. The session also supported the views as adopted in Slovenia about the changes to the federal Constitution as proposed by the Federal Executive Council and rejected as unacceptable the Nova Pazova platform because it would lead to interethnic intolerance and civil war. It also denounced the decision of the Socialist Alliance of Working People of Serbia to blockade Slovenia and posed the question of the Federal Executive Council responsibility.

Points Made in Joze Smole Speech

"The Socialist Alliance of Slovenia, as a recognizable political organization of socialists, will run in the elections independently.

"The political profile of the Socialist Alliance of Slovenia is very clear. It is an independent political organization of citizens advocating a modern socialist society. To put it in conventional political terms, we stand for a left of center position.

"When forming the new image of the Socialist Alliance, we must be aware that it is a political organization on its own, which is particularly shown in the following:

"Its basis is a person as an individual; we therefore oppose any rule by the party [partitokracija] or rather the subordination of a person to the party;

"Our organization is not ideologically exclusive and is thus no 'sect of believers';

"It is an organization of individuals, alliances, movements, and societies, based on a clear political profile and on a voluntary basis;

"The Socialist Alliance has provided the scope for 'preparliamentary' discussions and joint actions and will continue to do so in the future, if it is agreed."

SAWP Adopts New Statute

LD1901230590 Belgrade TANJUG Domestic Service in Serbo-Croatian 1301 GMT 19 Jan 90

[Text] Ljubljana, 19 Jan (TANJUG)—Today's session of the council for organization and development of the Slovene Socialist Alliance of Working People [SAWP] drafted a new statute for this organization. The statute is concise. It contains new things referring to discontinuing some past phenomena, when the SAWP was subordinated to the party and the state.

The introduction presents the goals of the Alliance of Slovene Socialists—the SAWP. They are in favor of socialism as a social project that would lead to economic welfare and of the parliamentary democracy political system. At the same time, they identify with the contemporary European socialist theory.

The second part states that in the multiparty system that has been established in Slovenia, historical conditions are ripe for the Slovene SAWP to transform itself into an independent party with its own program, membership, symbols, and name: the Alliance of Slovene Socialists. It was proposed that in the future, instead of conferences, their bodies be called committees from the level of local communities to republican level. Presidiums will be political-operative bodies of committees.

[Words indistinct] is already a new statute of the new SAWP, it was said at today's meeting.

Socialist Alliance Presents Program

LD2102110490 Belgrade TANJUG Domestic Service in Serbo-Croatian 1629 GMT 20 Feb 90

[Text] Ljubljana, 20 Feb (TANJUG)—"We only wish to live in Yugoslavia if there is a full guarantee of sovereignty, the permanent and inalienable right to self-determination, and respect and protection for minorities and differences of all kinds, and if it is possible to reslove problems of common importance according to the principle of consensus." This, among other things, is contained in the election programme of the Socialist Alliance of Slovenia.

The document talks about differences, a proportional electoral system, openness, a rational state, democratic traditions, freedom, and, of course, the market, capital, competition, profit, and bankruptcy.

"We are in favour of a social state and parliamentary democracy, like the form of social self-regulation which prevails in Western Europe today," Borut Suklje, member of the republican conference Presidium of the Socialist Alliance of Slovenia, said at today's press conference to present the election program of the alliance.

Slovenia must become a stable part of a developed Central Europe, and we will therefore make every effort for rapid change in the economic structure toward one that is market-orientated, for the creation of new jobs, for the development of energy-saving and ecologically clean programs, for an increase in international economic exchange, for European health standards, and for a democratic education system in which knowledge will be measured by European criteria, it was said at today's press conference.

The Socialist Alliance of Slovenia is in favor of a confederation as an agreement between Yugoslav republics, while the federal Constitution, they say, can be derived from the constitutions of sovereign state republics. Their program states that they advocate Slovenia's identification with and presence in Europe, particularly in the Alpe-Adria working community, and that the Yugoslav republics should, in issues of importance to them, act in international relations as independent political and state subjects. The Slovene socialist support the demilitarization of their republic, a reduction in military spending, and the redirection of these financial resources into social and ecological programs.

Opposition Holds News Conference

AU1701124190 Ljubljana DELO in Slovene 10 Jan 90 p 1

[Marko Pecauer report: "Dr Joze Pucnik, Opposition Candidate for the Leadership of the Socialist Republic of Slovenia"]

[Text] Ljubljana, 9 Jan—In connection with the formation of a five-party coalition and the announcement of the elections, Demos, united opposition, gave a news conference on the premises of the Slovene Writers Association today. Among other things, the candidates for president and members of the Presidency of Slovenia were presented.

Joze Pucnik, president of the Social Democratic Alliance, will therefore be their candidate for president of the Presidency, while each of the remaining four alliances cooperating in Demos proposed one of their prominent members for Presidency members.

Considering that Demos expanded after the New Year with the Slovene Peasant Alliance and the Greens of Slovenia joining it (originally it was composed of the Slovene Democratic Alliance, the Social Democratic Alliance of Slovenia, and the Slovene Social Democrats), the opposition coalition increased its membership. As Joze Pucnik put it, it also embraced a wider spectrum of interests which already exist or which are being formed in Slovenia. The latest (approximate) membership figures for the several parties composing Demos were also presented today: the Slovene Democratic Alliance 4,000; the Social Democratic Alliance of Slovenia, 3,000; the Slovene Christian Democrats, 3,000; the Slovene Peasant Alliance, 30,000; and the Greens of Slovenia, 4,000.

The April elections that are ahead of us were assessed by Joze Pucnik not only as a great political but also a cultural shift in Slovenia. Demos, united opposition, is to represent the interests of the majority of the voters of Slovenia, and therefore it optimistically regards the possibility of success; in other words, it expects victory. If the voters support it, Joze Pucnik said, it is prepared to assume responsibility for the conduct of the Slovene state.

The election coalition, of course, has points in common, but as the representatives of the Greens and of the Slovene Peasant Alliance stressed in particular, each of the parties retains its independence. This is also shown by the fact that each of the alliances will run independently in the elections for the Sociopolitical Chamber of the Republican Assembly.

Asked why he is a candidate for the president of the Presidency when he will probably have to run against Milan Kucan, who has a greater chances of winning, Joze Pucnik replied that he is aware of Mr. Kucan's popularity, but the voters will not assess the candidates merely on a personal basis, but also on the basis of which party they belong to and the work accomplished thus far by the parties they represent. He also replied in the affirmative when asked whether he is prepared to meet the other candidate in a television duel.

The shortage of money will certainly be an obstacle to a better showing for the united opposition in the election campaign. Tone Persak drew attention to the fact that from the budget, Demos will obtain a sum sufficient to pay 2 monthly salaries, and the Socialist Alliance of Working People will get the equivalent of at least 360 salaries. The opposition is nevertheless preparing election propaganda and is also thinking of spot advertising on television. It will also try to get as much space as possible in the media. The media have not been very favorably inclined so far, but the circumstances have been changing. "We are pleased that the Party is not giving us money," Lojze Peterle of the Slovene Christian Democrats said, "because this is the best election propaganda for us."

[The following boxed passage appears in the body of the item: "Demos has presented its candidates for the Presidency of Slovenia: Dr Joze Pucnik, president of the Presidency; members of the Presidency: Ivan Oman, Dr Dimitrij Rupel, Dr Dusan Plut, Franc Miklavcic."]

United Opposition Meets

AU1701200290 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 17 Jan 90

[Text] [Announcer] The meeting of Demos, the united opposition, is being held at the Cankar Hall in Ljubljana this evening. We have our correspondent Dragan Stavljanin on the line:

[Stavljanin] This meeting, at which candidates for president and members of the Presidency of Slovenia are

presented, has been termed historic by several speakers, because, as they put it, the decisive struggle for democracy and the independence of Slovenia has begun.

The large Cankar Hall is overcrowded. There are 2,000 people present. The meeting is being held under the slogan: If you vote for Demos, you vote for the future.

Joze Pucnik, head of the united opposition, has given a tone to the debate by saying that Demos advocates the abolition of the single-party system and the introduction of the multiparty system and that Slovenia is advocating confederation as a condition for having a future and protecting the identity of the Slovene people. There will be no compromise and bargaining about that, Pucnik pointed out.

Opposition Gains in Popularity

LD1002045790 Belgrade TANJUG in English 1111 GMT 9 Feb 90

[Text] Belgrade, Feb 9 (TANJUG)—The opposition in the Yugoslav Republic of Slovenia is becoming increasingly popular.

According to an opinion poll in Yugoslavia's northernmost and most developed republic, one half of subjects believe that opposition is useful, and only four percent that it is harm. Over the previous years the opposition had no public support, the Belgrade daily BORBA says on Friday.

The paper cites the results of the poll, conducted by the Ljubljana School for Sociology, Political Sciences and Journalism, which show that the most popular are the Greens (22.8 percent votes). They are followed by the Socialist Alliance (12.3 percent), the Alliance of Free Thinkers—previously called the Socialist Youth Alliance (10.2 percent), the Slovenian Farmers Alliance (9.6 percent), the Slovenian Democratic Alliance (8.2 percent), the League of Communists—Democratic Revival Party (7 percent), the Christian Democrats (3.3 percent) and the Social Democrats (2.9 percent).

According to this annual poll, as many as 75 percent Slovenians positively assess Yugoslav Prime Minister Ante Markovic's reform program.

50 percent are in favour of Slovenia as a state within the Yugoslav Confederation, as compared to the federal order. Twenty-three percent said they would like a completely independent state, 15 percent are for a republic within the Yugoslav Federation, while 12 percent were undecided.

The poll, however, shows that as many as 50 percent Slovenians would vote for Slovenian's secession from Yugoslavia at a referendum, while only one fourth would be against. The article on secession, contained in the new Slovenian Constitution adopted last year, caused much discussion and controversy in Yugoslavia, even in the Federal Constitutional Court.

'Democratic Forum' Proclamation

AU2201102290 Ljubljana DELO in Slovene 3 Jan 90 p 5

[Unattributed report: "From the Program Declaration of the Democratic Forum"]

[Text] Whoever is not blind to the world around them can see that the overwhelming majority of people in Yugoslavia are spontaneously advocating one political aim. This aim is a democratic society, in which all citizens, regardless of their convictions, ideology, and worldview, enjoy the broadest possible freedoms, and especially full freedom of opinion and expression, full freedom of association, and full freedom of political expression and cooperation in political life. These three freedoms, which all the single- party systems have been denying for long decades through their ideology and practice, are the foundation of political democracy; where they do not exist, one cannot talk at all about a free life—one in which citizens equally determine their fate in society—but only about a servile obedience or forced loyalty to the existing order. However, in order for these freedoms to be truly recognized by all citizens and to thus become their inalienable right, and not just a privilege of a tiny minority—as they are in single-party systems—deep and far-reaching changes are needed in present laws and institutions:

1. The printed word and public word in general must be completely free, which means that Yugoslav legislation must not contain any overt or covert form of so-called opinion offenses and no obstacle or restriction to the founding of independent media (newspapers, reviews, and so forth.)

2. Association in political parties and alliances must also be completely free, which means that no ideological conditions or organizational demands should be imposed to make it legal; with the exception of those associations that advocate violence, all Yugoslav citizens must have an equal right to public expression and an organized presentation of their political convictions.

3. Power must be elective and dismissible, which means that one can gain it only with the trust of the people through free, direct, and secret elections to all representative bodies, and one loses it the minute there is no such trust in elections any longer. In addition, all bearers of public power must be subjected to classic institutions of democratic control, which include the separation of powers into legislative, executive, and judiciary, the responsibility of the executive power to the representative bodies, the independence of the judiciary, and so forth.

The introduction of political democracy would make possible a beginning of a wide discussion about the future of Yugoslav society, freed of fear, intolerance, and preconceived opinions, which are inevitably generated by any regime that tends to ideological and political infallibility; the most important questions that concern

all citizens should no longer be decided behind closed doors by select groups of party leaders and state leaderships; and finally, we should eliminate the Communist Party's political monopoly, with all its far-reaching consequences, and its influence would be proportional to the greater or lesser trust that it is granted by the voters.

However, although it is probably most important, political democracy is not sufficient at all to eliminate the deep crisis of Yugoslav society.

Because of the incessant changing of fallacious economic systems, ranging from "planned economy" to "consensus economy," Yugoslavia is now a much poorer and economically unpromising state than it need be. Precisely because Yugoslav society now is neither rich nor economically well organized, but faces a difficult and painful transition to a more efficient economy, it must not turn a deaf ear to the demands for social justice and must not abandon all its citizens—including the least capable and least provided for—to their fate in a free market. On the contrary, along with the transition to a true market economy and with the revival of proper competition and free enterprise, we must—following the example of numerous West European countries—begin to introduce a machinery for redistribution, the so-called state welfare, which makes it possible to grant certain social rights to individuals, in addition to granting them citizens' and personal freedoms. It is of course understood that in our poor society, these rights cannot assume the volume they have for instance in Sweden, the Netherlands, or the FRG, and they cannot give individuals such purchasing power. However, regardless of the economic position of a country, it is a fact that only in this way, through a well thought-out system of redistributive institutions, it is possible to actually ensure that the market economy's price is not morally unacceptable and that society as a whole fulfills the demands of social justice and harmonizes them in an acceptable way with the demands for economic efficiency.

A shadow has been cast on the history of Yugoslavia continuously from 1918 until the present time by national and religious friction, which is sometimes subdued, but is always present, by mutual misunderstandings and suspicions arising from it, and more than anything else by the tragic bloodshed in World War II. This dire heritage is the reason that the present disturbed and almost hostile relations among the Yugoslav peoples are a hundred times worse: even if present-day Yugoslavia were not sunk in a deep economic and political crisis, it would because of them be a state of an almost unbearable present and a quite uncertain future. It is difficult to talk about national tolerance to those who see only their own rights but not the rights of others, and who understand only their own reasons but not the reasons of others, and there are many such in Yugoslavia at present. An equal interethnic dialogue, without extortions and advance conditions, is the only way along which we can begin to solve the question of interethnic relations in Yugoslavia, and, at the same time, search for a new, generally acceptable formula for the constitutional and legal order in the state. The chief conditions for such a dialogue are goodwill and political democracy in the entire state, and especially in all federal units. No constitutional and legal solution for Yugoslavia, adopted without proper democratic legitimacy gained through a free decision of citizens in each federal unit separately, would be any better than those imposed by the will of the ruling party in postwar Yugoslav Constitutions.

We are convinced that the revival of the ideals of political democracy, social justice, and national tolerance is an urgent need of our country at present, and we are proposing the establishment of a Democratic Forum as a forum for free activities of citizens who will strive above all for radical democratic reforms and will gradually try to formulate their answers to all the questions of the Yugoslav society, both those linked with economic reforms and social policy and the harmonization of the demand for economic efficiency with the demand for social justice, and those pertaining to the constitutional and legal system, relations among the Yugoslav peoples, and the international position of our country. The Democratic Forum therefore will not act as a political party and will not appeal to one social stratum or another, striving to articulate their interests, but it will openly present its ideas in public and political life; in case it finds it suitable, it will support certain candidates in free elections or it may even nominate its own candidates.

In addition, it will strive for cooperation with the movements and organizations in Yugoslavia and East Europe that are guided in their activities by the same ideals of political democracy, social justice, and national tolerance, and that attach a principled meaning to such cooperation. Regardless of the different cultural and social traditions of the several countries, these ideals are everywhere a political expression of the same spiritual standpoint, the bourgeois humanism which even in the darkest totalitarian days of one-party regimes constituted a secret link between European cultures and a spiritual framework for European unity, which was almost unimaginable then but has now been newly discovered.

[Signed] David Albahari, Aleksandar Baljak, Nikola Barovic, Milorad Belancic, Dusan Boskovic, Mira Erceg, Drinka Gojkovic, Nikola Grahek, Trivo Indjic, Dragan Klaic, Leon Kojen, Zivan Lazovic, Alpar Losonc, Adrijana Marcetic, Milovan Marcetic, Predrag Markovic, Olga Popovic, Ivana Radovanovic, Biserka Rajcic, Vladislava Ribnikar, Gojko Tesic, Laslo Vegel, Ivan Vejvoda, Miroslav Vukelic, and Ivana Vuletic, Belgrade, in December.

Christian Democrats Hold Congress

LD2701230390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1513 GMT 27 Jan 90

[Text] Ljubljana, 27 Jan (TANJUG)—"After almost half a century of political (?absence), Christian Democrats in Slovenia will take on full coresponsibility for further

Slovenian political development in the future." Lojze Peterle, chairman of this party, addressed the participants of the first regular congress of the Slovene Christian Democrats with these words today.

It was stressed at the congress that the Christian Democrats are supporting and will support the democratic development of other peoples in Yugoslavia, and that they are also gladdened by the democratic transformation of East and Central Europe.

It also was stressed that Christian Democrats will not adopt a revengeful attitude toward past political exponents, and that the human being is the starting point and goal of all cultural, economic, and political work. Speaking about the inviolability of life, most attention of the 200 delegates was devoted to the question of abortion. No one was against the banning of abortion, but polemics developed as to the tactical use of this issue in the pre-election campaign. In their platform, the delegates advocated a reduction in the number of abortions.

Peterle Speech Opens Congress

AU0802105090 Ljubljana DELO in Slovene 29 Jan 90 p 3

[Text] Ljubljana, 28 Jan—Speech by Lojze Peterle, president of the Executive Committee of the Slovene Christian Democrats, at the first regular congress of Slovene Christian Democrats:

To be a Slovene Christian Democrat means to assume full joint responsibility for the further political development in Slovenia after almost half a century of political abstinence by Christians, and to begin political life anew but not devoid of foundations. It means to step out in the open from the catacombs in which we were driven, shouldering the uneasy weight of history, it means to renounce any acts of revenge for the injustice suffered, and to embark with spirit toward the renewal and reshaping of Slovene society jointly with other people of good will and pure intentions. On the ruins of the ideological project, one should build the spiritual and political foundations of a new Slovene being, and new neighborly relations with the peoples in our proximity.

To be a Slovene Christian Democrat means to start one's political life from Christian values, from the rich tradition of the Slovene Christian Social thought and acts, from the modern social teaching of the Church, from the examples of modern Christian democracies in Europe, and from the awareness that the European cultural and civilizational standards are marked by Christianity. Postwar Europe was founded by Christian Democrats from Adenauer to De Gasperi. To be a Slovene Christian Democrat means to support democratic development among other peoples of Yugoslavia and to rejoice at the democratic transformation of East and Central Europe, where the share of the political forces inspired by Christianity is more than obvious. It means to believe that renewed Europe is unimaginable without a new conception of politics and international relations, without giving priority to quality above quantity, without the values of freedom, justice, solidarity, and peace.

To be a Slovene Christian Democrat means to rise above keeping to oneself for the sake of safety, to be again a political being, and to expose the vision of social development to a blow of fresh air and to checks. It is necessary to redevelop the social and political feeling and to persuade people of their responsibility for society and the world. Politics should regain its good name. Politics should mean again a responsible ordering of common affairs, striving for the common good, and never again an opportunity for the power egoism of one party. Politics should mean service and not appropriation. We are aware that the road of our social renewal will be difficult and long, and there will be no miraculous successes. However, we have started on this journey we intend to persevere.

To be a Christian Democrat means to proceed from the priority of the person and from the sanctity and inviolability of life. There are principles that must never become an object of political compromise and games, regardless of election results. In the election campaign, some people have ascribed to us views which we have never uttered, and they dishonestly dragged the unborn into this campaign. For us, a human being begins life at its conception. Therefore, it has human dignity and rights from that time onward. We are glad that the question of abortion has been broached, although we do not agree with the manner in which this has been done. Broad education will be needed before we move from a liberal, almost casual disposal of human life in its early stages and develop a more ethical and responsible attitude to the communication of life. The discussion should be professional, and should consist of a dialogue on several levels, just as the problem itself exists on several levels. It is not difficult to understand women in distress, but it is difficult to accept a society that does so little against this distress. We are aware that family as the basic social cell is endangered in our country. We strive to ensure all the necessary conditions for a normal and unhindered development of families in the economic, housing, and other aspects. Children's allowance should not be a welfare payment.

The Slovenes live in four states and in numerous communities all over the world. Harmful activities on the basis of ideological interests have reached these communities, too. We, Slovene Christian Democrats, will make efforts so that the new policy toward our communities outside Slovenia is guided by the national principle. We propose to elevate the care for Slovenes outside Slovenia to the level of a state ministry. We are convinced that our main crisis is the moral crisis. Therefore we emphasize the importance of people in leading positions, and therefore it is our slogan: responsibility and expertise. Any transformation in the economic, political, and other fields will be unsuccessful without responsibility in public posts. In order to prepare our members for work in the political sphere and in public services, we will set

up our own political academy as soon as possible. It will educate people in political culture, responsible work, and democracy of dialogue.

We are not green because of fashion, but because of our comprehension of the role of man as master of the Earth. We do not intend to make harmful long-term decisions for the sake of short-term interests. Therefore, we will marry economics with ecology. This is the only way to make this extraordinary part of creation a gift to our posterity. We have thus entered a new Slovene political era. We have done so with our will and with our deeds, so that we may get out of totalitarianism along a peaceful road of dialogue, reconciled among ourselves as much as possible, and enter a lasting democracy, human harmony, and a situation in which our free creativity will overflow.

Progressive People's Party on Program

LD2301233690 Belgrade TANJUG Domestic Service in Serbo-Croatian 1915 GMT 23 Jan 90

[Text] Ljubljana, 23 Jan (TANJUG)—The leadership of the centrist Progressive People's Party, formerly the Citizens' Green Party, which was formed in Slovenia as a coalition between alternative groups four years ago, presented its program and preelection activities this evening in Ljubljana. As pointed out, unlike the other 14 alliances so far set up in Slovenia, this alliance will be based on the principles of Western bourgeois society, democracy, and nonviolence. The Progressive People's Party devotes primary attention in its program to ecological and social issues. These will also be put in the forefront of its preelection canvassing.

'Liberal Party' Presents Candidates

AU1702213190 Ljubljana DELO in Slovene 10 Feb 90 p 1

[Veso Stojanov report: "The Liberals Are Coming"]

[Text] Ljubljana, 9 Feb—After the parties joined the opposition coalition, Demos, they some time ago presented their candidates with whom they will enter the election fray; and the League of Communists of Slovenia-Party of Democratic Reform and the Socialist Alliance of Slovenia did so a few days ago. The so-called third bloc on the Slovene political scene, ZSMS [abbreviation of the former Slovene Youth Federation] - Liberal Party followed suit at the Cankar Hall this evening.

At the first election convention of the Slovene Liberals—as the leading persons of the former Slovene youth organization tend to call themselves more and more—about 120 candidates were presented, whom the ZSMS will propose and support in the election contests for the Associated Labor Chamber and the Chamber of Communes of the republican assembly.

The election convention with the title, Convince yourself before you are persuaded—which we could say contained all the ingredients of a proper convention of a Western political party (keynote speeches, conversation with candidates, a concert by the Hungry Franz band, a cocktail party)—was opened by ZSMS Republican Conference President Joze Skolc saying: "I am glad I can greet you at the threshold of the transition from the dark age of anarchy to the age of the rule of liberalism. Since our Portoroz congress it has been clear that liberalism will win. Almost 50 years after the country was liberated, as they tell us, the time has now come for us to begin to occupy ourselves seriously with the protection of what is the essence of freedom: the freedom of every individual."

After the opening speech by Joze Skolc, who briefly outlined the chief program tasks of the Liberals, who according to Skolc cultivate the traditions of ZSMS, some other members and supporters of ZSMS spoke in the the Cankar Center's round hall. They explained the chief points of the ZSMS-Liberal Party's future activities and strategy.

The word most mentioned at the Cankar Center this evening was freedom, because it is stressed in the manifesto that for the ZSMS-Liberal Party, freedom is important here and now. "We are not interested in freedom of all the people. We are striving for the freedom of each individual. We are eliminating the obstacles that prevent individuals from acting as free and responsible people," the Liberals of Slovenia say in their election manifesto.

Having presented the candidates that ZSMS will support in the elections for the Associated Labor Chamber and the Communal Chamber, some candidates conversed briefly with the audience that came to the Canker Center. Last night's convention will not be the only one organized by ZSMS. At the end of February or the beginning of Marcn, the ZSMS-Liberal Party will arrange a similar convention at which it will present its candidates for the seats in the Sociopolitical Chamber of the republican assembly, and officially present the candidates for the Presidency members and perhaps also for the president of the Presidency of the republic.

New Workers Political Association

LD1401180790 Belgrade TANJUG Domestic Service in Serbo-Croatian 1301 GMT 13 Jan 90

[Text] Idrija, 13 Jan (TANJUG)—A new workers' political association—["Forward"]—was founded in Idrija today and, as reported, it will represent those who feel they are most threatened. Its founders note that the Slovene League of Communists does not offer enough possibilities for solving vital problems and even less for solving the day-to-day ones. In the same way, according to them, the Socialist Alliance of Working People program offers nothing but principles, while alternative organizations do not devote sufficient attention to problems and are not tolerant enough.

The Napred movement, it is stressed, is seeking solutions for all those who in this period of changes feel threatened in this or that way, but who have not so far been able to identify themselves with any active political group. The Napred party will fight for a new workers' legislature, for expert trade union organization of workers, uniform work contracts according to skills, for setting up additional treasury funds to help workers who have lost their jobs, and finally, for a more just system of awarding workers who retire.

New Independent Party Set Up

LD0302221490 Belgrade TANJUG Domestic Service in Serbo-Croatian 1341 GMT 3 Feb 90

[Text] Ljubljana 3 Feb (TANJUG)—In Slovenia yet another party has been set up, the Slovene Entrepeneurs and Craftsmen Party, which, unexpectedly, will not join the "Demos", the democratic opposition of Slovenia. It will be an independent party which in the forthcoming elections will put forward its list of candidates for the Sociopolitical Chamber of the Slovene Assembly. It will not rely on anyone, least of all on the Demos which, in the words of Bogo Rogin, member of the party's Executive Council, vie for membership by "inciting national passions and recycling past sins." The party will mainly concentrate on its professional profile and have a program which, its leadership claims, will be close to those of the Slovene League of Communists and the Youth League of the former Slovene Youth Organization.

Reportage on Croatian Parties' Activities

Opposition Coalition on Views

AU0103170190 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 1 Mar 90

[Text] [Announcer] The representatives of four Croatian parties which belong to the Coalition of Democratic Understanding [Koalicija Demokratskog Sporazuma]—the Liberals, the Christian Democrats, the Social Democrats, and the Croatian Democratic Party—have held their first news conference at which they showed some of the coalition's trump cards in the coming elections. Here is a report by Vesna Knezevic:

[Knezevic] The Coalition of Democratic Understanding's political strategy will be established by a committee composed of two representatives from each party, as well as five independent personalities who will support the coalition with their personal reputation: Savka Dapcevic-Kucar, Mika Tripalo, Dragutin Haramija, Srecko Bjelic, and Ivan Supek. The following was immediately made clear: None of these five personalities who left the political scene after the Croatian spring in 1971 is a candidate of the Coalition of Democratic Understanding, because, as party leaders have put it, agreement has not yet been reached on the names of the candidates.

We are not against Yugoslavia at any cost, nor are we in favor of Yugoslavia at any cost, it is stressed in the coalition's first announcement, which added: Yugoslavia is nobody's fate, it can only be the result of an agreement. The setup desired by the coalition is based on the values of a law-governed state and multiparty parliamentary democracy. This is how Savka Dapcevic Kucar, the one-time head of the Croatian Communists and now obviously the strongest personality among independent and non-party candidates of the Coalition of Democratic Understanding, explains the group's political strategy:

[Begin Dapcevic recording] Original sovereignty of all republics and recognizing the present republican borders without touching the question of changing borders. The third would be [word indistinct] self-determination of peoples (?including) the right to secession as a lasting constitutional principle and accession, or (?generally speaking), unification as the lasting constitutional principle which guarantees equality. Another starting point is the rights of the man and citizen, his freedoms, and the protection of these freedoms, irrespective of nationality, religion, sex—something I also consider to be very important—and irrespective of ideological or political beliefs, therefore, something that is considered to be a universal world category today. [end recording]

[Knezevic] The coalition—Goldstajn, Vujic, Veselica, Pecar—is open to all other parties and non-party individuals. Cultural, scientific, and public institutions are also called upon to give active support to the program, as it was said, of a peaceful transformation of the system.

One has avoided publicly expressing any attitude toward Tudjman's Croatian Democratic Community, but it seems that it is difficult to talk about any particular degree of agreement between the Coalition of Democratic Understanding and Franjo Tudjman's Croatian Democratic Community.

Peace Movement on Policies, Goals

LD0103211690

[Editorial Report] Zagreb Domestic Service in Serbo-Croatian at 1605 GMT carries a very poorly received "Election 90" program by the Croatian Peace Movement which lasts 10 minutes, only three of which are audible.

The party representative says the Croatian Peace Movement cherishes individual work with members. It advocates Yugoslavia as a confederation of independent states. It will promote tourism and maritime economy; as well as motherhood, environmental protection, science, and culture by raising general awareness. The party representative acknowledges that the party does not have detailed plans how to implement its policies regarding these and other issues. The movement is for the depoliticization of universities and information media. It favors proportional reprensentation as the fairest election system.

The Croatian Peace Movement does not have ample funds; and the issue of financing is still unresolved, the representative admits.

The movement will target the votes of young people. It is considering joining, and in all likelihood will join, the Croatian Democratic Coalition, which embraces four parties and proposes Savka Dapcevic-Kucar as an independent candidate. Apart from this, it will form a permanent coalition with the Croatian Christian Democratic Party.

Social Liberals Describe Policy

LD0103234890

[Editorial Report] Zagreb Domestic Service in Serbo-Croatian at 1605 GMT on 1 March broadcasts a 10-minute report featuring the Croat Social Liberal Party. While the announcer describes the Social Liberals as a party (stranka), the Social Liberals in the program sometimes use the term alliance (savez). Executive Committee member Ljubomir Antic and Party Vice President Bozo Kovac stress that the party continues the traditions of its pre-war namesake. The party is against all forms of radicalism, including verbal ones. It aspires to be a party of reasonable, moderate people. It is against all forms of revanchism. The party will advocate return of all emigrants from Yugoslavia. They see Croatia as a homeland of the Croat people and all other nations living in it. Within Yugoslavia, they call for state sovereignty and territorial integrity of all republics; that is, inviolability of internal Yugoslav borders. The party advocates Yugoslavia as a democratic country, where decisions will be reached by consensus. Decisions within Croatia are also to be reached by consensus. They see Croatia's future in a democratic Yugoslavia. Croatia, as a European country, belongs to Europe; Croatia, and Yugoslavia too, should become a part of the all-European integration processes.

The Croat Social Liberal Alliance champions the fundamental principles of old-style liberalism, they say: individualism, equal rights for everyone irrespective of sex, race etc. The party propagates tolerance and advocates setting up institutions through which differing and opposing interests can be expressed and mediated. The party advocates legalization of all forms of ownership; it will not advocate abolition of social ownership. It advocates the revival of agriculture and expansion of tourism, albeit tempered by ecological concerns. Furthermore, it champions organic farming. The party advocates return of Croat immigrants and their full reintegration. The party wants the Croat Assembly to represent all strata of Croat society equally and calls for proportional representation to be introduced. The objectives of the Coalition of National Accord, to which the party belongs together with the Croat Christian Democratic Party, the Croat Democratic Party, and the Croat Social Democratic Party, are the inviolability of Croatia's state and territorial integrity and the establishment of democracy in Croatia.

Green Alliance Outlines Position

LD2802104890

[Editorial Report] Zagreb Domestic Service in Serbo-Croat at 1605 GMT on 27 February carries a poorly-received 10-minute report on a discussion meeting held by leaders of the Croat Green Alliance.

Alliance President Professor Iva Pergo-Separovic and Secretary Predrag Haramija stress that the Alliance will act in three areas: science, by establishing causes of pollution; politics, by protecting the environment and adopting appropriate laws; and culture, by raising Green awareness. The representatives of the Green Alliance hold that Green power is a contradiction in terms. The Croat Green Alliance advocates the concept of sustainable economic growth. Predrag Haramija notes that many alternative parties have incorporated some Green policies in their programs.

Haramija explains that the Croat Green Alliance was created from many individual local Green groups and its role is to coordinate their activities. At the moment, the Alliance has no ample resources at its disposal. The question of financing is not yet resolved.

Independent Party News Conference

AU2702112590 Belgrade BORBA in Serbo-Croatian 24-25 Feb 90 p 13

[M. K. report: "Yugoslavianism—Only Option"]

[Text] Zagreb—At its news conference in Zagreb yesterday, the leadership of the Yugoslav Independent Democratic Party informed the public about its program and the aims for which it will strive, because, as stated, the press recently tried to present it as a Serbian party. The party is not and will not be a Serbian party, said Party President Mile Dakic because we have founded it as a Yugoslav party and intend to be active throughout Yugoslavia. It was by chance that all the members of the party's leadership happened to be Serbs. This leadership is only temporary and we expect that, once we organize ourselves properly, members of Yugoslavia's other peoples and nationalities will be present in it.

The president of the Yugoslav Independent Democratic Party briefed the journalists on the party's program, which proceeds from parts of the program of the prewar Yugoslav Democratic Party, which advocated federalism, and the full national, religious, and other democratic freedoms of all peoples and nationalities of Yugoslavia.

"At present we are registered in Croatia, but if need be, we will register in all other Yugoslav republics and provinces. We care about the integrity of Yugoslavia as a federation, and its entry into a confederal Europe. As regards a coalition with other parties, this is a possibility provided that the parties concerned are Yugoslav oriented." Dakic also broached the question of the League of Communists [LC] of Croatia and said that under the

present conditions a coalition with the LC Croatia is not possible because we regard it to be a national party.

The statement in NEDJELJNI VJESNIK by Croatian Democratic Community President Franjo Tudjman, that there were talks between the two parties about a possible coalition was also denied. Vukasin Zoric, general secretary of the Yugoslav Independent Democratic Party, told journalists that no one from the party leadership held talks with representatives of the Croatian Democratic Community, but if that did happen, then this must have been done by somebody on his personal initiative and not on the party's behalf.

Peasant Party President Resigns

LD2302225490 Belgrade TANJUG Domestic Service in Serbo-Croatian 1925 GMT 23 Feb 90

[Summary] Zagreb, 23 Feb (TANJUG)—The president of the Executive Council of the Croat Peasant Party, Stjepan Herceg, resigned today after the council's other members voted not to join the opposition coalition at the forthcoming elections—something which he advocated.

Peasant Party Leader on Policy

LD2601102490 Belgrade TANJUG Domestic Service in Serbo-Croatian 1432 GMT 25 Jan 90

[Text] Zagreb, 25 Jan (TANJUG)—The recently revived Croat Peasant Party believes that conditions for free and democratic elections have not been created yet. Therefore, until conditions are created, they will boycott the elections, Party Vice-Chairman Ivan Zvonimir Cicak stated today at a press conference.

He then stressed that the party will nominate Savka Dapcevic Kucar as an independent candidate for the post of the President of the Presidency of the Socialist Republic of Croatia. At the same time, Cicak turned down his nomination for the post of the mayor of Zagreb on behalf of, as he put it, "independent" candidate Danijel Ivin.

Ivan Zvonimir Cicak and other members of the party's top leadership stressed that the party has 3,000 members currently, and that already about 10 branches, that is, initiative circles, were set up. At the same time, he noted that the party will adhere to the Radic brothers' teachings and that their slogan will be "With a Rebuilt Home toward a Rebuilt Homeland" and "Faith in God and Peasants Unity." Party members, according to the information presented at the press conference, are workers, peasants, students, and intellectuals.

We shall not ask, Ivan Zvonimir Cicak said, for a new Croat flag, but for a traditional one and not the one with socialist symbols, because the traditional symbols "are our symbols." Party members demand that the Presidency of the Socialist Republic of Croatia and the Executive Council of the Croat Assembly resign and that new members be elected who would enjoy "the people's general trust." At the same time, they demand that the state security service be abolished and that all "secret police files" be destroyed.

'Croatian Democratic Community' Assembly

LD2402212690 Belgrade TANJUG in English 1915 GMT 24 Feb 90

[Text] Zagreb, February 24 (TANJUG)—The first two-day general assembly of the Croatian Democratic Community, the largest of the new parties formed in Yugoslavia's second largest republic, opened in Croatia's capital Zagreb today.

The main purpose of the assembly is to define an election campaign programme and elect a new leadership of the party, which is believed to have around 200,000 members and which wishes to act as a democratic centre.

Current party president Dr. Franjo Tudjman, former partisan general who came into conflict with the official policy and was accused of Croatian Nationalism in the sixties, said today that the Croatian Democratic community supports the part of Federal Premier Ante Markovic's programme which calls for market economy and private ownership. He set out, however, that his party is categorically opposed to any centralization at the federal level which would curtail either the economic or the political sovereignty of the republics.

The Croatian Democratic Community calls for the abolition of social ownership, it supports privatization and urges a reform of the education system, as Dr. Tudjman specified. Dr. Tudjman has served several years in prison for his beliefs.

Acknowledging that the Serbian and all other nations have equal rights, Tudjman said that the Croatian Democratic Community is opposed to any form of revanchism. He, however, did say that his party has emerged at a time of a crisis and increasingly sharper internationality conflicts in Yugoslavia, for which he blamed "greater-Serbian neo-expansionism, under the leadership of Slobodan Milosevic," current president of Yugoslavia's largest republic of Serbia.

Tudjman said that the Croatian Democratic Community calls for the self-determination and state sovereignty of Croatia and insisted that "it is overlooked that the 'Independent State of Croatia' was not just a product of the whim of the axis powers but also a consequence of the historical aspirations of the Croatian people."

The so-called Independent State of Croatia was a quisling state during World War Two, whose Ustasha leader Ante Pavelic enjoyed the patronage of Nazi Germany and fascist Italy.

Tudjman said that Yugoslavia's central republic of Bosnia-Hercegovina is a "national state of the Croatian nation," since Croats live in it together with the majority

Muslims and with Serbs, and that "internal relations in Yugoslavia must be based on a confederatism."

A proposal was among other things, raised at the first assembly of the Croatian Democratic Community for the erection of a monument to all World War Two victims, regardless of under what flag they had fought and died. It was, on the other hand, protested against what was described as a "collective darkening of the mind in a republic in which crime is committed against the (ethnic) Albanian population," which was an allusion to Serbia.

'Democratic Community' States Goals

LD2502231790 Belgrade TANJUG in English 2115 GMT 25 Feb 90

[Text] Zagreb, Feb 25 (TANJUG)—The Croatian Democratic Community is not fighting for an independent state of Croatia, but for a sovereign and free Croatia, Dr. Franjo Tudjman, who was elected the party president, said at the end of the party's two-day general assembly in Zagreb on Sunday.

The so-called Independent State of Croatia (NDH) was a World War Two Quisling creation whose Ustasha leader Ante Pavelic enjoyed the patronage of Nazi Germany and fascist Italy.

Tudjman, 68, is a former partisan general who in the 1960s came into conflict with the official policy and was accused of Croatian nationalism, for which he served several years in prison.

Tudjman said that one of the burning problems, to which a special resolution of the General Assembly is devoted, is the "Biological dying away of the Croatian people".

He said that the Croatian Democratic Community would fight to gain power in the elections so that it may be able to "resolve vital problems of the Croatian people".

Tudjman also announced his party's readiness for a coalition and the creation of a Croatian democratic block with those forces which have an equal view on the problems of the Croatian people.

The only resolution whose text will be finalized later is the "message of peace, love and friendship to Serbs in Croatia".

Serbs in Croatia, Yugoslavia's second largest republic, make up under 15 percent of the of the total population. They were exposed to genocide by the Ustasha authorities of the Independent State of Croatia during World War Two.

Tudjman claims that the Croatian Democratic Community is the largest of the newly-formed parties in Croatia.

Autonomous Democratic Alliance Founded

LD2302225590 Zagreb Domestic Service in Serbo-Croatian 2100 GMT 23 Feb 90

[Summary] The Autonomous Democratic Alliance of Croatia, orginating from the former League of Socialst Youth, held its founding assembly in Rijeka today. Its members said that the founding assembly was the final divorce from the Alliance's past and its Communist backing.

18 Parties Register in Croatia

LD2302122290 Belgrade TANJUG Domestic Service in Serbo-Croatian 1006 GMT 23 Feb 90

[Text] Zagreb, 23 Feb (TANJUG)—According to the latest information from the republican secretariat for administration and justice of the Socialist Republic of Croatia, 18 political parties have been registered so far. Seven parties were registered this week: the Croat Party; the Muslim Democratic Party; the Istrian Democratic Assembly; the Zagreb Green Action; the Yugoslav Independent Democratic Party; the Split Green Action; and the Croat Socialist Youth Federation.

The following parties were registered previously: the Croat League of Communists; the Socialist Union; the Croat Social liberal Association; the Croat Social Democratic Party; the Croat Christian Democratic Party; the Radical Association for the United States of Europe; the Croat Democratic Party; the Croat Democratic Community; the Croat Peasant Party; the Croat Peace Movement; and the Croat Green Alliance.

It is expected that new demands for registration of parties will be submitted in the next few days and that the number of parties will grow.

Istrian, Croat Parties Unite

LD0902062190 Belgrade TANJUG Domestic Service in Serbo-Coratian 1738 GMT 8 Feb 90

[Text] Rijeka, 8 Feb (TANJUG)—The Popular Party of Istria and the Croat Peasant Party are merging into a united party, which will act under the names of both parties. This was contained in today's statement in Rijeka at the meeting of the Initiative Committee of the Popular Party of Istria, whose founding is underway, and representatives of the Peasant Party, who met late last night in Pula.

The Popular Party of Istria will act as a branch of the Croat Peasant Party, but will retain the right to devote attention to specific needs of the Istrian peninsula and its traditions.